The NATIONAL UNDERWRITER Life Insurance Edition



FRIDAY, DECEMBER 20, 1940

THE AMERICAN WAY OF LIFE I N S U R A N C E

Independence

Financial provision for Family and Self, avoiding dependence on others.

Self-Reliance

Thrift and Foresight. Saving for the day of possible adversity.

Individual Initiative

Outstanding example of voluntary free enterprise. Whole economic structure made more stable and secure; moral fibre of race strengthened.

Preservation of Home

Strength, solidarity and continuity of family life encouraged and safeguarded.

Property and Accumulation Safeguarded

Estate creation facilitated, protected and preserved for family and heirs.

Human Values Emphasized

Greatest Asset of Nation—its "life values"—insured and conserved.

Checks and Balances

Based on the law of average, with adequate offsets against death or disability, and ample reserves for contingencies.

Demonstration of Democracy

Ownership and control by the members. Practical cooperation through mutual assistance, with equitable participation in benefits.

THE EQUITABLE

LIFE ASSURANCE SOCIETY

OF THE

UNITED STATES

393 SEVENTH AVENUE NEW YORK, N. Y.

THOMAS I. PARKINSON President

LIFE INSURANCE EDITION

TheNATIONAL DERWRITE

Forty-fourth Year-No. 51

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 20, 1940

\$3.00 Year, 15 Cents a Copy

Equitable of lowa **Revises System** of Compensation

Takes Lead in Giving Breath to Proposals of Joint Committee

A new and most attractive agent's contract has just been announced by Equitable Life of Iowa. It embodies a redistribution of renewal commissions with higher renewals payable in the second and third contract years, plus



substantial additional conservation commissions in the 11th and subsequent

Ray E. Fuller, superintendent of agencies, anticipates that the new contract will stabilize the income of agents and will stabilize the income of agents and will provide increased returns for representatives writing business of a high degree of persistency. The provisions of the new contract for additional conservation commissions in the 11th and subsequent years will for the first time directly compensate agents for their conservation efforts. This new contract, in addition to Equifund, the pension plan for agents, places Equitable of Iowa in the lead among companies seeking to devise means of adequately compensating agents under present day conditions. conditions.

Specifically the new contract provides the following optional basis of compen-sation, effective Jan. 1:

A. Commission scale: First year, 50 percent graded.
Second year, 15 percent graded.
Third year, 10 percent graded.
(CONTINUED ON PAGE 8)

Managers Told How to Build Agencies at Detroit Parley

DETROIT — Eighty general agents and managers representing 41 companies and 14 cities attended the annual Michigan management congress and heard building, recruitleaders discuss agency ing, selection and training of agents, in-spiring men to higher production and actual results on a salary compensation plan. The congress was sponsored by the Michigan State Association of Life Underwriters and the Associated Life General Agents & Managers of Detroit.

At the morning session, with E. P. Balkema, Northwestern National, state association president, presiding, J. E. Bragg, New York, manager Guardian Life, spoke on "What It Takes to Train an Agent in 1941." Training includes both initial instruction and subsequent both initial instruction and subsequent supervision. Mere lecturing to new men is not enough. There must be an active follow-through in the field to make sure that they know how to apply what they

Individual Training Given

Mr. Bragg believes in individual training. His agency's material has been codified and standardized so that the manager and his two assistants are equally proficient in its use and so a new man's training can be conducted by several men if necessary.

Mr. Bragg's course consists of four parts; the functions and uses of life in-

urance; the structure; selling and case planning.

planning.

Better recruits take the evening life insurance course at New York University, so if a man has both ability and sufficient background, he is given a start toward C. L. U. work at once. He is expected to take the C. L. U. examinations for Parts 1 and 2 at the end of the first

Like Sympathetic Supervision

Agents like supervision if it is sympathetic and if it really helps them toward their goal. Supervision cannot be crowded down an agent's throat, it must be "sold" to him. Forced supervision results only in dissension and resentment.

No man in the Bragg agency is permitted to take a program out to a prospect unless he has been fully trained. If pect unless he has been fully trained. It he is a novice he must bring the facts to an assistant manager and together they plan the case. Close supervision of case planning is a valuable part of the agency's supervision.

Planning a presentation and drilling in it at agency meetings has been amaz-

Planning a presentation and drilling in it at agency meetings has been amazingly successful. At each weekly meeting, from one to three men are required to take a prospect card, analyze the prospect's needs and "telephone" him before the agency force, giving a sales talk lasting from 10 to 15 minutes.

Score Sales Presentation

Other agents score the presentation on enunciation, pronunciation, effective use of voice, taking into account tone, pitch, tempo and inflection, diction, choice of words, sentence effectiveness, sincerity, personality force and the organization and general effectiveness of the talk

Afterward the scoring is analyzed for the benefit of the agent giving the talk.

This procedure teaches the men to think on their feet" and enables them to weed out faults that spoil an other-wise effective presentation. The procedure has brought about an amazing development in some of the men, he asserted. One \$80,000 to \$100,000 a year producer who seemed unable to hit a higher pace increased his sales to \$300,-000 a year after flaws in his presentation were so corrected.

Works Gives Talk

Works Gives Talk

"Building a City Agency" was discussed by P. O. Works, Rochester, N. Y., general agent Penn Mutual. Managers have two things to offer their men: the ability to inspire them to better production and the knack of bringing out their best. "Nothing kills man's ambition more quickly than criticism; instead of criticising them for failure, praise them for whatever you can find to praise in what they have done or are doing, and soon there will be no need for crticism," he declared.

General agents have a big sales job to

General agents have a big sales job to General agents have a big sales job to do in selling their men inspiration to work and work hard. Mr. Works believes in weekly nieetings, but they must be well organized and conducted with a well defined purpose. Monotony should be avoided. Men should be asked what they want to hear at the meetings.

Properly handled agency bulletins serve a useful purpose. They should be inspirational and include sales material and praise for accomplishments. Some-

and praise for accomplishments. Something that entitles a man to a pat on the back can always be unearthed.

Gets Well Acquainted

It is wise to get as well acquainted with the men as possible and to plan so-cial events for them, Christmas parties and outings of various sorts, some of which should include their wives. "Live with your men and their families if you want to get the most out of them," Mr. Works declared.

Works declared.

General agents are too prone to recognize a man selling a \$50,000 policy even if it is his only sale for the year, although the man who brings in a \$1,000 or \$2,000 policy every week is a more valuable agent. Mr. Works always writes a letter of praise to every agent when he brings in an application, no matter for what amount. Every sale is (CONTINUED ON PAGE 8)

Policy Matures at 96 on Oldest West Point "Grad"

Col. C. A. Dempsey, U.S.A., retired, of Richmond, oldest living graduate of West Point, has the distinction of becoming the first Atlantic Life policyholder to receive the proceeds under a policy as a matured endowment. He is 96 years old. When he was examined in 1908, the medical examiner wrote: "Applicant looks five to 10 years younger than he actually is, and is one of the best risks I have examined in some time."

Valuable Points Made in Guertin Hearing in N. Y.

R. D. Murphy Is Main Spokesman on Non-forfeiture Benefit Proposals

NEW YORK - General agreement with the fundamentals of the proposed model law drafted by the special committee of the National Association of Insurance Commissioner on nonforfeiture benefits was expressed at the



hearing conducted here this week by the committee chairman, A. N. Guertin, actuary New Jersey department. There was much comment from the actuaries and other officials who thronged the committee room but all of it was aimed at improving the procedure suggested in the committee's tentative report. There was no voice raised against the basic method which the committee proposes for divorcing nonforfeiture options from the basis of policy valuations. In fact, there was some disappointment that this separation was not as complete as it had been hoped.

Defines "Insurance Equity"

The main feature of the report most generally opposed was the introduction of a lower rate of interest assumption during the paid-up period than during the premium-paying period. The feeling of those attending the hearings seemed to be that if it is desired that paid-up policies be for smaller amounts because of the adverse selection this should be taken care of by a loading added to the net single premium on which the paid-up insurance is based.

The committee's proposal, which was

The committee's proposal, which was reported in The NATIONAL UNDERWRITER

(CONTINUED ON PAGE 9)

Worries of Agent Answered By Kellogg Van Winkle

kle, Los Angeles manager Equitable Society, in a Friday, the 13th, talk before the Life Insurance Forum here discussed "Scotching Today's Hoodoos." "Every business in this changing world is facing problems and readjustments. Life insur problems and readjustments. Life insur-ance is no exception. We have problems and face changes because of today's conditions. If we can get a clear picture of our problems we will be able to adjust ourselves and capitalize on the situation more fully for the public good, as well as our own. There is much muddled thinking at the present time—there are many 'die-hards' who haven't fully realized that the election is over."

Outstanding Worries

The outstanding worries of the public

1. Threat of federal regulation coming out of the TNEC investigation.
2. Government competition through the Wagner act and life insurance plans for the draftees.
3. Inflation.
4. Temporary aspect of televi-

Temporary aspect of today's pros-

Our own unwillingness to adjust

ourselves to today's situation.

In answering the threat of federal regulation, Mr. Van Winkle quoted Senator O'Mahoney, TNEC chairman, regulation, Mr. Van Winkle Senator O'Mahoney, TNEC of who has denied that there will verse TNEC recommendations. will be ad-

Must Be Prepared to Fight

"This situation is one that we must be prepared to watch and fight in the future, but is not one of immediate concern," Mr. Van Winkle declared.

The proposed Wagner annuity act will probably not be introduced at the coming session of Congress at which less emphasis will be laid on social legislation.

phasis will be laid on social legislation. However, "we must watch and fight it if and when it is brought up again."

As to the government insurance for draftees, Mr. Van Winkle said the record of one camp showed that less than one-fourth of the draftees applied for the insurance and that the average policy

In every case where there has been a destructive inflation, there has been a lack of gold, or metal backing of paper money, the necessity for imports, external debt, a confused and weak government. "No one of these conditions exists in the United States today or has any likelihood of development."

Many Inflation Controls

Taxation

There are many controls which can be sed to check and, in fact, stop runaway inflation. They are:

"2. Central bank policy, which tightens the credit policy and would permit of increasing reserves. This seems, however, very unlikely because of the tremendous excess reserves now in the banks, the enormous gold holdings, the need for defense funds and the govern-ment's adherence to the policy of cheap

money. All indicate that this particular check will not be used.

"3. Publicity—that is, holding up to public censure those elements in our economy which are showing inflation tendomics.

tendencies.

"4. Federal financing through the sale of bonds in small denominations which will absorb an appreciable part of the spendable income of the nation.

"In many ways, life insurance is the very best possible hedge against inflation—especially single premium life insurance contracts, which certainly stabilize to a maximum degree the available cash in the cash values of the insurance and include with that stabilization a very inflationary matrix, should the indiinflationary maturity should the individual not survive. In other words, if he lives through the period of time during which all this radical inflation will occur, the cash will still be there, probably with some enhancement. If he should die within the period, the family will have in all probability double the number of dollars they would have had, if he had put his cash in the safety deposit vaults. Properly understood, the threat of inflation can be used to help us sell various forms of life insurance."

Contracts Run Until 1946

Comment that present great industrial Comment that present great industrial activity will be of short duration is contrary to facts, Mr. Van Winkle declared. Contracts already let amounting to something over \$8,000,000,000, run in a majority of cases through 1942, with many of them running through 1946.

"The geographic picture beyond the re-

"The economic picture beyond the rearmament period is full of hope as we will have the only plants in operation in the world which can provide the materials to rebuild the war destroyed world."

Expects Some Tax Rise

Expects Some Tax Rise

Taxes will be increased, but it is possible that the raise will not be nearly as great as anticipated. The national income for 1940 will be approximately \$74,000,000,000. Conservative estimates of the 1941 income, place the figure at \$90,500,000,000. If this, or a higher income figure is reached the present tax structure would supply four-fifths of the income to take care of normal federal expenditures, plus all presently authorized expenses for rearmament. Some put the national income for the year 1942 national income for the year 1942 well along between \$100,000,000,000 and \$105,000,000,000, at which rate of income, with the present tax structure, we would be able to accomplish one and onefourth times the required federal expenditure for normal and defense expenses in 1941. In spite of the above,
there probably will be some readjustment of the tax structure upwards during the next session of the Congress. has been stated that these changes ll be on individual incomes rather than on those of corporations, partner-ships and other forms of business or-ganizations, the federal government encouraging corporation profits and taking the tax from the individual recipients of such profits. "This encouragement of the profit system is indeed welcome news and gives reason for optimism as to the future of our present general eco-nomic structure."

Must Rectify Attitude

Mr. Van Winkle said it is his personal elief that one of the reasons "that we that one of the reasons belief that one of the reasons that haven't had a tremendous upsurge in life insurance written is because we, ourselves have a defeatist attitude. We

life insurance written is because we, ourselves, have a defeatist attitude. We haven't been able to forget the past. We still are letting the loss of certain contracts lessen our effective power in meeting the new conditions."

The transfer of millions of people from a financial liability to a financial asset, that is, from WPA to the private payroll, and the increase in pay rates brought about by the wages and hour law, will put into the hands of the public of America billions of extra dollars which will inevitably and rapidly find their way into all channels of trade, commerce and the professions. Mr. Van Winkle cited numerous examples of increased business activity. There is practically no branch of normal commercial activity which has not received either a activity which has not received either a direct or indirect impetus from the rearmament program.

armament program.

"Our greatest problem is to develop ways and means of more adequately serving our community under today's favorable conditions through the placing of vastly larger amounts of life insurance on the lives of people whose dependent and survivorship problems have not decreased but who, for the first time in years, have the money to pay premiums and have an optimistic mental attitude as to their future."

Another Birthday



The birthday dinner of William M. The birthday dinner of William M. Houze, Chicago general agent of John Hancock Mutual Life, and president of the Chicago Association of Life Underwriters, was again a most distinctive and enjoyable occasion. Mr. Houze attaches much sentiment to his birthday and likes to be surrounded on that occasion in a convivial atmosphere with casion in a convivial atmosphere, with friends. This year the dinner group numbered more than 100, including members of the agency, John Hancock general agents from other cities, medical examiners, John Hancock industrial managers of Chicago and a number of outsiders outsiders

The Houze agency in the period Nov. 27 to Dec. 12, conducted a campaign in honor of the general agent and produced a volume of \$1,400,000.

W. R. Pond, manager of the under-

writing department at the home office. writing department at the nome office, who has been attending these dinners for several years and is one of Mr. Houze's closest friends at the home office, served as toastmaster. He presided with wit and sentiment that heightened with wit and sentiment that heightened the enjoyment of the evening. D. A. Medaris, manager of the sales and brokerage department of the agency, presented Mr. Pond a plaque from the agency. Those who spoke in appreciation of Mr. Houze included W. B. Ackerman, Cincinnati general agent and president of the John Hancock General Agents Association; Ralph Hoyer, Columbus general agent; James M. Clark, general agent at Peoria, Ill.; J. Harry Wood, vice-president from the home office; Lee N. Parker, president American Service Bureau; W. C. Perry, Chicago manager Retail Credit Company; Ralph Kastner, associate counsel Americans Ralph Kastner, associate counsel American Life Convention; William F. Till, home office inspector, and Samuel Kenison, field supervisor in the industrial

Editor C. M. Cartwright Suffers Attack at Waldorf-Astoria Hotel

NEW YORK — Managing Editor Charles M. Cartwright of The NATIONAL Charles M. Cartwright of THE NATIONAL UNDERWRITER, who came here to attend the meeting of the insurance commissioners, the Life Presidents Association and other organizations, suffered a severe gastric abdominal attack a week ago Sunday and has been confined to his room at the Waldorf-Astoria hotel ever since. It has been evident that the effect of the hemorrhage was underes-timated and he has had two blood transfusions, which have now proved successful. He has been kept in bed and not allowed to have visitors. His physician does not know when he will be able to return to his home at Evanston, III. He is definitely on the mend now. Mrs. Cartwright was with him and has been at his bedside constantly.

SEC Misinterpreted Facts, Says Johnson

Holgar J. Johnson, president the Institute of Life Insurance, in addressing a luncheon meeting of the Pittsburgh Association of Life Underwriters, asserted that the Securities & Exchange Commission has been guilty of "flagrant misinterpretation" of facts about investment policies and interlocking directorates of life insurance companies.
"The SEC implication that insurance

"The SEC implication that insurance companies sterilize the funds they re-ceive and prevent them from flowing rom nowing into new enterprise where the element of venture or risk is present, was a flagrant misinterpretation of the real facts," he said.

"More than \$3,500,000,000 invested the year will be put to work with other life insurance assets creating jobs, running factories will the adding government.

life insurance assets creating jobs, running factories, utilities, aiding government, financing new homes and offices, giving emergency aid to families."

In connection with the SEC's reference to interlocking directorates Mr. Johnson declared that the type of men insurance companies seek for their boards are naturally leaders in their communities and "leaders in every community are directors of many organizamunity are directors of many organiza-

As for the angle of venture money, "As for the angle of venture money, for those enterprises where venture or risk is present, life insurance funds, representing the most conservatively invested reservoir of security and protection in the country, have never assumed the role of venture money," Mr. Johnson said. "That is another field of investment. Once a venture has advanced to an established basis, however, these life insurance funds enter the field and re-lease what was the original venture money, so that it can go back into circulation and seek new ventures. That has been the history of railroad investments. utility investments and the like. Incidentally, the \$3,500,000,000 total of investments made this year is larger than vestments made this year is larger than the total of all American stocks and bonds issued in any year prior to 1924 or any year after 1929. Are we to assume, however, that the SEC would urge speculation with these policyholder funds? The remarkable record life insurance has made has been a result of the conservative investment policy of life insurance." insurance.'

life insurance."

Mr. Johnson remarked that the SEC refers to the directors of life companies as also serving 100 other insurance companies. "Yes, that does sound as though they were developing a huge interlocking control of life insurance." he said. "The facts: the SEC did not say that these are fire and casualty insurance companies, which are almost as far removed from life insurance as though they were automotive plants."

Speculation Rife in Illinois

Speculation Rife in Illinois

With the return of Governor-elect Green of Illinois from a Florida vacation this week, speculation is rife in Illinois insurance circles as to Mr. Green's probable choice for the office of insurance director. Those close to Mr. Green say that he has made no decision in the matter. A large number of names have been mentioned informally as possibilities including former Insurance Director Palmer of Illinois, Alvin S. Kevs, prominent local agent of Springfield: Gail Reed, Chicago broker: C. F. Axelson, special agent for Northwestern Mutual Life in Chicago; Richard Y. Rowe, of Jacksonville, Ill.: Hayes Kennedy, attorney of Chicago and Peoria. It is understood that the insurance committee of the Illinois insurance committee of the Illinois chamber of commerce is having a con-ference this week with Mr. Green on the subject.

Benjamin Assistant Commissioner

H. A. Benjamin, who has been deputy insurance commissioner of California in charge of liquidations, has been advanced to assistant commissioner.

Propose Nebraska Incontestable Rule

Life Presidents Association Files Brief with Insurance Department

LINCOLN, NEB. — Amendments to the incontestable provisions of the statutes to meet the decision of the statutes to meet the decision of the statutes are the supreme court in the Republic National case have been submitted by representatives of the Life Presidents Association to the Nebraska insurance department. The effect of the court's decision was to invalidate all policies excluding death from aviation liability.

The proposed amendments provide that notwithstanding the present statutes, policies may be issued limiting coverage in the event of death when such form, in the opinion of the commissioner, is more favorable to the policyholder than the following:

Provisions Set Forth

Provisions Set Forth

A provision limiting coverage in the event of death while the insured is in the military, naval or air forces of any country at war, declared or undeclared, or while the insured is in any auxiliary or civilian non-combatant unit serving with such forces; or within one year after the termination of services as a result of wounds, injuries or disease suffered or contracted while in service. A provision limiting coverage in the event of death occurring as a result of war or any act incident thereto, whether such war be declared or undeclared while insured is outside the United States and the District of Columbia or within six months after his return.

A provision limiting coverage in the

A provision limiting coverage in the event of death resulting from aeronautics

event of death resulting from aeronautics specified therein:
"In the event of any such death, the company shall pay a sum not less than the reserve on the policy (including the reserve for any paid up additions thereto) and any dividends standing to the credit of the policy less any indebtedness to the company."

Brief Explains Reasons

In a brief accompanying the proposed act, it is stated that the companies merely desire the right to exclude a particular risk or limit liability in case of such an event and keep the policy in force. While the insured loses all protection while in military service, it is argued that this is more than offset by the extension of the coverage after termination of his service. Otherwise commination of his service. Otherwise com-panies, as a matter of precaution, might require that all contractual liability be require that all contractual hability be conditioned upon the insured not entering or being in service in time of war and conversely providing for a termination of further coverage under the contract in the event of such service. This type of claim would be highly prejudicial to the policyholder because his service would be contract his contract and upon discontract his contract and upon discontract.

policyholder because his service wonia terminate his contract and upon dis-charge it would not be revived. It is pointed out that when the pres-ent statute was enacted air forces were not a part of war service, and without the specific clause asked for it might be the specific clause asked for it might be a question of whether a person in the air force was engaged in military or naval service. The use of war clauses should extend not only to those actually in the armed forces but also to those in auxiliary service facing comparable hazards.

Travel Hazards Increased

Hazards of travel are materially increased by recent warfare, it is held. Exposure to attacks by surface, subsurface and aerial forces creates a hazard faced by any person residing in, traveling to or returning from countries at war. The civilians in a beligerent country are exposed now to almost as great a danger as formerly experienced in zones of combat. While no reliable statistics are yet available,



"He has the mind of an older child—he'd rather just sit and fondle his educational endowment policy."

it is safe to assume that the death rate among civilians in a bombed city is probably as high as those of the armed months after return. among civilians in a bombed city is probably as high as those of the armed forces in the area. Notwithstanding the increased hazard there would be no gen-eral exclusion of civilians generally, as

real exclusion of civilians generally, as civilian exclusion would be permitted booklets 51. National Underwriter.

THE CHRISTMAS HOME

A week or so before Christmas of 1929 the new house was finished and the family moved in. It seemed a kind of Christmas present for all of them. Our representative went to see the owner, and after being shown through the new home he said he supposed this was one of those modern ones, with a mortgage over the roof. The head of the house laughingly confessed that it was. He was asked if he really intended to make it a gift, because it wouldn't be a gift unless the loan were covered by life insurance. The policy was issued.

Ten years later, Christmas was again a joyous time, for under the tree, among the gifts, was a cancelled mortgage. put there by the matured policy.

Looking back those ten years, the attainment of this goal through life insurance seemed so easy that he is now putting into \$15,000 of retirement income the funds which cancellation of the mortgage released. And so confident is he that this plan, like the first, will mature he has filed with us the address of his Colorado cabin for reference when he reaches 65. Checks which are sent then will assure a happy Christmas each year to him and to his wife as long as they live.



THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY Chairman of the Board

JOHN A. STEVENSON

INDEPENDENCE SQUARE, PHILADELPHIA

Investment Bankers' Head Hints at Ban

Connely, Foe of Direct Sales, Again Reelected to Lead Organization

Intimating possible definite action to stop private placements of securities with life companies, which reached a new high last month with the \$140,-000,000 A. T. & T. refinancing, President E. F. Connely of the Investment Bankers Association told that organization's annual meeting that "we cannot believe that any such practice will be permitted to continue, regardless of the expedients that brought about this method of financing."

This is a situation which is not of our making and we believe that the complaints of hundreds and thousands of investors, large and small, who have had their securities called for redemption with no opportunity for reinvestment in the refunding issue are investment in the refunding issue are justified and valid," he said. "We are heartily op-posed to this practice, which is detriposed to this practice, which is detrimental to the small investor—a practice through which such institutions as trust funds, endowment funds, hospitals, museums, colleges, libraries, fraternal organizations, estates and individuals are frozen out of high-grade investment opportunities and are forced into accepting a lower grade of investment."

No Remedy Specified

Mr. Connely did not specify who would prevent the practice from being "permitted to continue," but ever since the practice of borrowers selling entire bond issues to life companies, either singly or in groups, has assumed large proportions the investment bankers have been urging some action but the have been urging some action by the Securities & Exchange Commission.

Securities & Exchange Commission.

Although private placements have admitted disadvantages for both the borrower and the lender, they have meant substantial savings in underwriting expense, which has been shared by the borrowers and lenders. From the borrowers' point of view an important consideration is that the uncertainty caused by the necessary delay in going through SEC registration is eliminated when borrowing the money direct. When a bond issue is being offered to the public the timing of the offering is frequently of great importance in assuring a ready great importance in assuring a ready market for the securities at the desired price. There have been occasions where changes in market conditions after filing with the SEC have caused proposed financing to be withdrawn.

See Fight Ahead

See Fight Ahead

Reelection of Mr. Connely for a second term means that he will presumably continue his fight against private placements. It is the first time in 24 years that the Investment Bankers Association has reelected a president. Mr. Connely was reelected because he is also full-time chairman of the organization's public information committee. He is on leave of absence from the investment banking firm, First of Michigan Corporation of which he is president.

Harrison Takes N. Y. Life Presidency on Jan. 1

NEW YORK—George L. Harrison, president of the Federal Reserve Bank of New York, who was elected president of the New York Life and was slated to take over his new duties last July, will do so Jan, 1. The delay was at the request of the reserve bank, which wished to retain Mr. Harrison for a time because of the effect of the war on international finance, a field in which he is a leading authority. is a leading authority.

Greater Service Is Answer to Threat of Federal Control

DALLAS - The best way in which to write new business is to give careful and continuous attention to old business, J. A. Budinger, vice-president and actu-ary Kansas City Life, declared in a talk before the Dallas Association of Life Underwriters. By rendering personal service to policyholders that will keep their existing insurance most effectively and completely adjusted to their needs, agents can aid in checking possible enagents can aid in checking possible en-croachments of federal bureaucracy upon life insurance, Mr. Budinger pointed out. If the policyholders are well pleased and satisfied with the service rendered, they will vigorously and successfully op-pose efforts to make life insurance part of the federal bureaucracy. of the federal bureaucracy.

Only Agents Can Give Service

Only agents can give the personalized service that is required to keep life insurance keyed to the policyholder's individual needs. More attention should dividual needs. More attention should be given to the old policyholder in adjusting beneficiary designations and options to changes that occur in the policyholder's situation and family life. Counsel and the suggestions of the agent will enhance the value of many if not most of the policies to their holders. Almost all life insurance benefits are realized and become actual only when the policy itself is acted upon by when the policy itself is acted upon by the insured or his beneficiary. If the agent will bring these potential benefits into existence by showing the policy-holder when and how to exercise the privileges and options of his policy, then

privileges and options of his policy, then
the agent will become as essential to
his life insurance as the policy itself.
Personal contact is necessary in rendering good service. Agents should
make calls for the sole purpose of rendering service and not as a camouflage
for making new sales. If the policyholder is convinced of the agent's interset in his existing insurance on a service. est in his existing insurance on a service basis, it is only natural that he will buy additional insurance when needs arise.

Champions of Democracy

"If you will give your policyholders the highly personalized and individual services which only you can give them, you will be not only the champions of you will be not only the champions of life insurance, you will be the champions of the democratic ideal, of the dignity, importance and respect due to every individual human being; and what is most important, in any struggle or contest against the encroachment of state capitalizations. against the encroaciment of state capi-talism on the life insurance business, you, the champions of the democratic ideal, will win." Mr. Budinger declared. O. Sam Cummings, Texas manager Kansas City Life, and past president National association, introduced Mr. Budinger.

Hold Underwriting Clinic

An underwriting clinic contributed to an interesting meeting of the Nebraska Insurance Institute in Omaha. Presi-dent W. R. Lehmkuhl, assistant secre-

dent W. R. Lehmkuhl, assistant secretary of American Reserve Life, presided.
R. W. McIntyre, Omaha manager American Service Bureau, and Fred Greenleaf, assistant manager Omaha Retail Credit Company, were guests. Greenleat, assistant manager Omana Retail Credit Company, were guests. Representing the medical phase were Dr. James P. Donelan, medical director Guarantee Mutual Life, and Dr. G. H. Walker, medical director Lincoln Lib-erty Life. Debatable cases were presented by

discussion leaders and these were fol-

lowed by an open forum discussion.

Co-chairmen in charge of the cases were: Harry Simons, Bankers of Nebraska, and George Stanley, Guarantee Mutual Life.

The next meeting will be in Lincoln

Christmas Message from McAndless

President A. J. McAndless of Lincoln National Life composed the following significant Christmas message to his organization:

There are three ways of looking at "There are three ways of looking at Christmas. There is, first, the viewpoint of the sentimentalist who sees nothing in this world but what is beautiful and good. He wraps everything in tinsel. But sentimentalists are rather rare today. Most of them, dismayed by political change, economic waste and war in the world, have fled to the other extreme, the viewpoint of the cynic. extreme, the viewpoint of the cynic extreme, the viewpoint of the cynic, who sees nothing but pain and futile strife. The cynic rips away the tinsel wrappings and calls himself a realist. But he is not a realist because he immediately re-wraps everything in bitterness and doubt.

Common Denominator

"The sentimentalist and the cynic have much in common. Indeed we may almost say that the cynic is a distilusioned sentimentalist and that the sentimentalist is a cynic seeking escape from unpleasant realities. But the third attitude, that of the real realist is essentially different. Viewing the world sanety, viewing life fairly and courageously, he finds much in the world that is good, much that is bad. He is neither bemused by one nor dismayed by the other. A man said to the Universe, 'Sir, I exist!' 'Nevertheless,' said the Universe, 'the fact has created in me no sense of obligation.' That man was either a sentimentalist or a cynic. have much in common. Indeed we may was either a sentimentalist or a cynic A realist would not have challenged thus the world about him. He would have accepted life as he found it, with

its joys and sorrows intermingled.

"This Christmas, with distress, destruction and death scattered over a large portion of the world, a realistic viewpoint toward our own lives and the lives of our fellow men is year. lives of our fellow men is very necessary. The sentimentalist's viewpoint is no longer prevalent, but the cynical viewpoint is dangerous. It threatens not only our way of thinking but our way of material life. An impersonal, dispassionate view of history shows that indeed the control of the ideals are not worthless, that in striv-ing after ideals, men actually make the world a better place to live in.

"This is the Christmas season in nich the ideals of humanity are epitomized. The gift you give or receive is a symbol of life itself. This world is as it is, and you are not conis a symbol of life itself. This world is as it is, and you are not personally responsible for it unless dismayed by one aspect of it you blind yourself to the happiness which is quite as real as the distress. Dispense with the tinsel if you must. Do not undervalue the gift. Look forward to a better America for yourself and your children."

"People's Committee" Placed on Permanent Basis

The "People's Committee to Defend Life Insurance and Savings," which attracted quite a little attention during the recent presidential campaign by its alarmist leaflets on the danger of life insurance values if President Roosevelt were reelected, has incorporated as a permanent organization to acquaint the public with current economic issues and

a basis announced to "entirely non-political and non-partisan"

There are several life insurance men among the 22 directors, including C. Vivian Anderson, Cincinnati, former president National Association of Life Underwriters.

Benjamin H. Ooley, former general gent Union Central Life, Columbus, ., was seriously hurt when a train ruck his automobile west of Columbia Center, O., Tuesday. He wa moved to a hospital in Columbus. He was re-

Science is organized knowledge; insurance is organized foresight.

G. A. Adsit Elected Chairman Keystone Life Advertisers

George A. Adsit, vice-president in charge of agencies Girard Life, was elected chairman Keystone Life Advertisers Association at the regular monthly meeting. He succeeds C. C. Loeble of the Presbyterian Ministers' Fund. Miss Irene M. Cawley, also of Girard Life, was elected secretary-treasurer, and F. J. Kiefner of Provident Mutual was elected Kiefner of Provident Mutual was elected

publicity chairman.

In his talk on "Salary Savings Promotion," W. J. Probst, manager salary savings Penn Mutual, who was the prin-



GEORGE A. ADSIT

cipal speaker, said that in order to promote the sale of this type of insurance, one must understand the life underwriter's problems peculiar to this form of business. The agent must be constantly sold on the advantages to him of developing salary savings business, for salary savings aids the agent in planning his work; it leads him in the direction of business—and what to do when he gets there. The collateral business that a salary savings franchise brings the agent is also of the utmost importance, for not only is he able to sell the employes' relatives and friends, through the contact which he creates with the employe, but in his contact with the employer. is placed in a position to sell to him personal and business insurance. Because of these factors, the agent is able materially to increase his income.

Outlines Several Sales Steps

Outlining several steps to be followed in developing the sale, Mr. Probst urged the agent to sell the employer on the idea of making the salary deductions. Then, he should obtain the employer's endorsement of the salary savings idea by means of an announcement letter to the employes. Following, the agent must obtain from the employer permission to interview the workers during working hours.

hours.

"In the sale of salary savings," said Mr. Probst, "the agent has an important element on his side, and that is the psychology of dealing with a mass of people instead of with one person."

Once he has individually sold several employes, the enthusiasm becomes contagious among the others. If possible, the agent should then secure office or desk space within the organization, and he should insist on a private interview with each employe. The complete cooperation of all department heads is also operation of all department heads is also essential to the success of the presentation, as is information regarding each employe, his age, dependents, income, etc. Furthermore, the agent must sell the employer the idea of employe meetings in order that he educate them along life insurance lines.

The advantages of the salary say-

Ordinary and Industrial Ahead for First 11 Months

NEW YORK - Ordinary and indus-NEW YORK — Ordinary and industrial sales are ahead for the first 11 months but a group decrease of 18.2 percent brings the total down to \$6,624,322,000 compared to \$6,656,352,000 in 1939 or a .5 percent decline, the Life Presidents Association reports. November total sales were off 4.5 percent, industrial being the only class to show an increase. increase.

For the first 11 months new ordinary For the first 11 months new ordinary amounted to \$4,613,539,000 against \$4,598,848,000, an increase of 3 percent. Industrial was \$1,439,488,000 compared to \$1,359,433,000, a 5.9 percent increase. Group totaled \$571,295,000 compared to \$698,071,000, an 18.2 percent decrease. For November new business of all classes was \$560,912,000 against \$587,498,000. New ordinary amounted to \$391,797,000 compared to \$415,350,000, a decrease of 5.7 percent. Industrial was

decrease of 5.7 percent. Industrial was \$134,859,000 against \$128,121,000, a 5.3 \$134,859,000 against \$128,121,000, a 5.3 percent increase. Group totaled \$34,256,-000 against \$44,027,000, a decrease of 22.2 percent.

RESEARCH BUREAU ESTIMATE

The Sales Research Bureau estimates that the volume of ordinary sales in November was \$505,474,000 or 7 percent less than the record for November, 1939. For the first 11 months the Research Bureau estimates production at \$5,967,666,000 or 1 percent greater than during the first 11 months of the previous year. It states that 38 percent of the companies recorded gains in November of this year as compared with November of the previous year.

B. M. A. Defines Status of Salesmen Entering Service

The Business Men's Assurance has clarified the status of its salesmen inducted into military or naval service. The training period of one year under the selective service act will be considered as continuous service with the company. Renewal commissions will be continued at the same rate as when inducted into service. Group life insurance will be continued as though the salesman had not been given leave of absence for the year's training period. Where a salesman has been licensed to

represent the company less than six months, it will pay as special commission an amount equal to one-half the average monthly commissions earned since he was licensed and where licensed less than one year but more than six months an amount equal to the average monthly commissions earned since he was li

Where a salesman has been licensed for one year or more, he will receive as special commission, for not to exceed one year, an amount equal to 25 percent of the amount by which his average commissions exceeds his military or naval base pay.

Push Wage-Hours Bills in South

NASHVILLE, TENN.-Jack Kavannah, Florida political leader, told a group here that bills will be introduced in every state legislature in the south in January seeking to bring more em-ployes, among them employes of insurance agencies, under federal wage and hour control. Uniform bills will be introduced in all the states, according to Mr. Kavannah, one of which will be abill extending the federal wage and hour act and the other a state wage and hour bill.

ings plan to the employe are several," said Mr. Probst, "He may take any policy or amount that he desires, thereby setting up an automatic savings plan. Salary savings is one type of employe insurance that is not socialized in nature, and this fact should be one that is parand this fact should be one that is par-ticularly emphasized."

New York Accepts Commissioners' Amortization Rule

NEW YORK-Superintendent Pink has notified companies licensed here that the New York department will base its bond amortization requirements on the standard adopted at the recent meetits bond amortization requirements on the standard adopted at the recent meeting of the National Association of Insurance Commissioners rather than on the New York department's circular of Nov. 26. The differences are relatively slight. The important ones are that the Nov. 26 circular in paragraph (D) stated that bonds not otherwise eligible for amortization would qualify if they are rated in any of the first five grades by two of the recognized rating services, "provided such bonds were quoted at 55 percent or higher during the last three months of the year." The corresponding paragraph of the commissioners' requirement is the same except that it specifies: "Provided that actual sales or bid prices on such bonds reached 55 percent or higher during each of the months of September, October and November 1940."

Status of Bonds Not Rated

Status of Bonds Not Rated

Status of Bonds Not Rated

The earlier New York announcement's final paragraph also stated that "bonds which do not meet any of the tests herein set forth shall not be amortized but carried at the market value," whereas the corresponding portion of the commissioners' standards states: "Corporation bonds not rated, or rated by less than two of the recognized rating services, and foreign government bonds other than Canadian, may be classified under (B), (C), or (D) if they are of security equivalent to bonds in such classification and satisfactory evidence thereof is presented." References to (B) and (C) are to requirements as to quality of bonds as measured by rating quality of bonds as measured by rating

Kaye-Martin, "Research Institute" Head, Jailed

JACKSON, TENN. — The controversy between west Tennessee life underwriters and the so-called National Institute of Research & Economics reached a climax with the arrest of Allen Kaye-Martin, president of the intertwite the solution of the intertwiter that the solution of the solution of the intertwiter that the solution of the intertwine the solution of the solution stitute, who was placed in county jail, but immediately applied for release under \$1,000 bond.

At the same time a civil action was filed in chancery court by M. W. Penick and Evelyn Liles Cook, seeking reick and Evelyn Liles Cook, seeking re-covery of \$1,074 on a contract to work a 17-county territory under an alleged plan to adjust insurance policies. The complainants charged that Kaye-Mar-tin made them believe life insurance companies are taking advantage of the public, and that they could render pub-lic service by consulting insurance own-ers, with the aid of the institute's serv-ices, and adjusting their policies ices, and adjusting their policies.

Promotes to Sell Contracts

The civil suit charged that the National Institute of Research & Economics is promoted for the sole purpose of selling "service unit" contracts and alleged that Kaye-Martin has made no leged that Kaye-Martin has made no exhaustive study of insurance as he claims. The complainants state that Kaye-Martin collected \$750 from them for the "service unit" contract and that the remainder of the sum sought represents Kaye-Martin's bad debts made good by them, for which they also have filed a criminal complaint charging him with obtaining money under false with obtaining money under

with obtaining money under false pretenses.

Kaye-Martin published a full-page advertisement in the Jackson "Sun" in which he charged the insurance commissioners of Tennessee and Mississippi with "meddling" with his affairs. Members of the Jackson Association of Life Underwriters have been active in the

controversy with Kaye-Martin and the

institute. Kaye-Martin had been operating in the east as an "insurance counsellor" before transferring his headquarters to

Editor Criticises Lack of **Effective Public Relations**

PHILADELPHIA—G. F. Kearney, president and editor Philadelphia "Evening Public Ledger," spoke on public relations at a meeting of the Philadelphia Association of Life Underwriters. He minced no words. There is a growing suspicion about life insurance in the minds of the public, he said. The communists are trying to undermine the public's faith in life insurance, and that agents and companies must overcome this through effective public relations. "I believe that the impression the pubthis through effective public relations. "I believe that the impression the public has been getting recently of life insurance is erroneous. I can't help thinking of the millions you serve—of how you minister to them and enable the mto give comforts to their loved ones. You are great stabilizers of home life and you enable people to face old age with tranquility. You definitely serve a great social purpose. You are preserving the integrity of a man's es-

tate and you are doing a wonderful job in preserving the family."

The first publicity job, he said, is to increase the sense of dignity of the individual underwriter. He criticised the

dividual underwriter. He criticised the indirect approach, such as, "I am not here to sell you life insurance." This is manifestly a lie, he said, and destroys confidence. The frank approach is best. "If I was a life underwriter, I would be proud of it, and I would be proud of the service I was going to render. If a life underwriter called on an individual with a background of developed integrity, he would be more listened to." He argued for simple language and plainer terminology in policy contracts, literature and sales talks.

Midland Mutual Dinner Dance

Midland Mutual Life executives and

Midland Mutual Life executives and employes and their wives and husbands attended a dinner-dance sponsored by the company and employes in Columbus. The dinner was attended by more than 125. George W. Steinman, president, gave a short address on the progress of the company and commended its employes. The employe committee in charge included C. W. Grady, J. B. McClintock, Frances Hott, Elsie Cole, Jeannette Miller, Mary Kent and Maude McDaniel. McDaniel.

A new committee to handle activities

for the coming year was elected by the employes. It includes Nina Am-spoker, Martha Millikin, Dean Nida, Byron Shirkey and Harold Arnold.

Clarke and Myrick Are Heard

LOS ANGELES-The life insurance committee of the Los Angeles Chamber f Commerce has reelected Harold D. Leslie, Northwestern National Life, as chairman. Kellogg Van Winkle, Equitable Society, is vice-chairman. Executive Vice-president Dwight L.

Executive Vice-president Dwight L. Clarke of Occidental Life gave a statistical report on life insurance, and Julian Myrick, Mutual Life general agent in New York, told of the legislative activities of the National Association of Life Underwriters and of the U. S. Chamber of Commerce.

Mutual, N. Y., Managers to Meet

Mutual, N. Y.. Managers to Meet

NEW YORK—Meeting somewhat
earlier in the year than usual, managers
of the Mutual Life will gather at Vinoy
Park hotel, St. Petersburg, Fla., for
their three-day convention Jan. 30-Feb.
1. G. A. Patton, vice-president and
manager of agencies, said in his announcement the reason for advancing
the date is to permit a review of the
1940 performance and to formulate effective plans for "our part in the 1941
company program."



N. Y. Savings Bank Life Dividends Up

NEW YORK-Dividends for 1941 on policies of the New York state savings bank system will be twice to three times the amount paid in 1940 at most ages This big increase is due to the larger volume of business in force which has resulted in a substantial reduction in unit cost.

unit cost.

Even allowing for lapses, the addition of the second year's volume to that obtained the first year effected a large proportionate increase in business in force against which expenses could be assessed. At the end of its first year the system had about \$8,000,000 in force while the figure now stands at about \$11,500,000 on a total of about 14,000 policies

Since the 1939 figure of business in force represented the result of the enforce represented the result of the en-tire first year's business the gain rep-resented by a current figure of \$11,-500,000 may appear surprisingly small, particularly in view of the fact that there are now 18 savings banks in the state offering insurance either as agency banks or as underwriting banks while the system started with only three and gained new banks fairly slowly. E. A. Richards, president of the Savings Bank Life Insurance Fund, defended this rel-atively small increase in making the dividend announcement.

Contrasted with Agency Insurance

"It must be borne in mind," he said, "that savings bank life insurance is bought rather than sold by voluntary purchasers who make applications through their savings banks. Hence it must not be expected to grow with the rapidity that comes with extensive advertising and forceful selling."

The 1941 scale calls for a first-year dividend of \$2.39 on a \$1,000 ordinary life policy issued at age 35, whereas the first year 1940 dividend on such a policy was only 97 cents. The gross premium is \$23.96.

More than 90 percent of the applicants

More than 90 percent of the applicants to date have incomes less than \$50 a week and about two-thirds of applicants are classified as ordinarily buying industrial life insurance

dustrial	lite	ınsura	nce.			
	Str	aight				
		ife	20	Pay	20	Year
Age at		ues of]	Life	Er	dow.
Issue	1940	1939	1940	0 1939	1940	
11		\$2.70	\$2.21	\$3.21		
12	1.71	2.71	2.23	3 3.23		
13		2.73	2.28	3.25		
14	1.75	2.75	2.27	7 3.27		
15	1.77	2.77	2.29		\$3.47	
16	1.79	2.79	2.31		3.47	4.4
17	1.81	2.81	2.33	3.33	3.48	4.4
18	1.83	2.83	2.35		3.49	4.4
19	1.85	2.85	2.38		3.49	4.4
20	1.87	2.87	2.40	3.40	3.50	4.4
21	1.89	2.89	2.43	3.43	3.51	4.5
22	1.92	2.92	2.46	3.46	3.51	4.5
23	1.94	2.94	2.49	3.49	3.52	4.5
24	1.97	2.97	2.52		3.53	4.5 4.5 4.5
25	2.00	3.00	2.55		3.54	4.5
26	$\frac{2.03}{2.06}$	3.03	2.58	3.59	3.55	4.54
27		3.06	2.62		3.56	4.55
28	2.09	3.09	2.65		3.57	4.57
29	$\frac{2.13}{2.17}$	$\frac{3.14}{3.18}$	$\frac{2.69}{2.73}$		3.58	
30	2.20	3.21	2.76	3.72	3.60	4.59
31	2.24	3.25	2.80	3.79	$\frac{3.61}{3.63}$	4.60
33	2.29	3.30	2.84	3.83	3.65	4.64
34	2.34	3.35	2.89	3.89	3.67	4.66
35	2.39	3.40	2.94	3.94	3.70	4.69
36	2.44	3.45	2.99	3.99	3.72	4.71
37	2.50	3.51	3.04	4.04	3.74	4.73
38	2.56	3.57	3.09	4.09	3.76	4.75
39	2.63	3.64	3.16	4.16	3.80	4.79
40	2.71	3.72	3.23	4.23	3.84	4.83
41	2.78	3.79	3.29	4.29	3.87	4.86
42	2.85	3.86	3.36	4.37	3.91	4.91
43	2.94	3.95	3.43	4.44	3.96	4.96
44	3.04	4.06	3.53	4.55	4.02	5.03
45	3.16	4.18	3.63	4.65	4.10	5.11
46	3.26	4.28	3.72	4.74	4.16	5.17
47	3.38	4.41	3.82	4.84	4.23	5.24
48	3.51	4.54	3.94	4.97	4.33	5.35
49	3.66	4.70	4.08	5.11	4.44	5.46
50	3.84	4.89	4.24	5.28	4.57	5.60
51	4.00	5.05	4.38	5.42	4.68	5.72
	4.18	5.24	4.55	5.60	4.82	5.86
	4.38	5.45	4.74	5.79	4.99	6.04
	4.62	5.70	4.96	6.02	5.18	6.24
	4.89	5.98	5.21	6.28	5.41	6.48
56	5.13	6.23	5.43	6.51	5.60	6.67
58	$5.41 \\ 5.73$	6.51	5.68	6.77	5.86	6.94
59	6.10		5.98	7.08	6.11	7.20
		7.22	6.32	7.43	6.44	7.54
	$6.51 \\ 6.88$	7.64 8.02	6.71	7.83	6.81	7.92
62	7.31	8.46	$7.06 \\ 7.47$	8.19	7.14	8.26
63	7.80	8.96	7.94	8.61	7.54	8.67
64	8.35	9.53	8.46	9.62	8.01	9.16
		10.16			8.51	9.67
	0.00	10,10	3.03	10.23	9.09	10.27

Problems of Banks in Loaning on Policies

The "United States Investor" in an The "United States Investor" in an article on new kinds of loans for banks refers to loans on insurance policies. It states that the use of the standard assignment form that was created by the American Bankers Association has distinct advantages for all banks. It protects the bank and retains for the borrower all of the special insurance privileges that he ought to retain.

The bank should analyze the policy

privileges that he ought to retain.

The bank should analyze the policy thoroughly, according to the "United States Investor" because there are so many kinds of policies and because there is always a third party in the case besides the lender and borrower, namely the beneficiary. The beneficiary's rights have figured prominently in court cisions and as between the var states, the decisions clash with other and cannot be reconciled. the various parently, the only safe course for a bank is either to have the borrower revoke the naming of the beneficiary if he can do so under the contract, or to have the beneficiary join in the assignment and the note. Even if this is done, the and the note. Even if this is done, the bank must be careful to follow the legal requirements in foreclosing on the cash surrender value, for it may become subject to liability for illegal conversion of

The bank must get certain information from the insurer, particularly as to whether the policy is in full force, whether there are prior assignments of record, the amount of the net surrender value and whether there is an automatic premium loan provision so that the bank may know what the borrower must do to keep the policy from lapsing. A lot of trouble has come to lenders from not discovering whether the policy provides for payment in installments when the borrower dies instead of a lump sum. The lender might have to The bank must get certain informalump sum. The lender might have to wait almost interminably for payment of the note if the policy has not been modified to arrange for payments in a

Yetka's Possible Successors

ST. PAUL-The field of candidates for Minnesota commissioner was narrowed this week by the withdrawal of A. Her-vert Nelson of the Minneapolis office of the Travelers, who informed Governor Stassen in a letter that he was no longer to be considered as a candidate for the post

Three other insurance men have been rore other insurance men have been prominently mentioned for the post. They are Newell R. Johnson, local agent at Bemidji; Ellis Sherman, supervisor in the Minneapolis office of the Mutual Life, and Ray Cory, life agent at Austin Minus

tin, Minn.

The six-year term of Commissioner Yetka expires Feb. 1.

Draftees in Better Health

A prediction that those drafted for military service will be in better health and better developed physically with fewer serious impairments than in 1917-18 is made by the Metropolitan Life's "Statistical Bulletin." The rate of serious impairments will be substantially lower than among the men examined in the previous draft as young men of the draft ages today have grown up in a time when organized efforts to im-prove child health are better developed than a generation earlier.

G. Bloomingdale of the Marion, O., office of the Ohio State Life has just completed five years of consecutive weekly production. A. M. Palkovic of the Youngstown agency has completed

Never become discouraged; and by hard work you will not become discouraged, because everything comes to him who works. It took Noah Webster thirty-six years to write one book. Ambition and energy are bred from being active, and idleness and laziness are bred from being inactive.

U.S. Life Increases Surplus by \$100,000

Stockholders of United States Life at Stockholders of United States Life at a special meeting ratified a proposal, previously endorsed by the board and officers to increase the surplus by \$100,000, the purpose being to enable expanding the newly established accident, health and hospitalization department. The plan calls for reduction of par value of the 100,000 shares of capital stock from \$5 to \$4, transferring the resulting \$100,000 to surplus. Stockholders also voted to maintain the capital stock at \$500,000 through issue of 25,000 addiat \$500,000 through issue of 25,000 additional shares at \$4 par value, making a total of 125,000 capital shares.

In order to enable stockholders to preserve their equity, the new shares were issued with pre-emptive rights to stockholders to subscribe for one additional share for each four shares owned. Stockholders are offered the privilege of subscribing proportionately for shares not taken under the pre-emptive right

Tells of A. & H. Plans

United States Life celebrated its 90th anniversary this year. In the next few months, G. M. Selser, executive vice president and secretary, stated, a broader program embracing all the major accident and health lines will be initiated. Experience gained in the de-partment's first year of operation, he said, indicated the combination of acci-dent and health with life insurance of-fered favorable opportunities for further development of the business in both fields.

Mr. Selser reported on operations for

the first nine months of 1940, there being a gain from life insurance under-writing operations. Mortality, both on domestic and foreign risks, was very favorable, being approximately 41 per-cent of expected. New business and life insurance in force showed satisfactory increases.

Nebraska Bar Insurance Session

OMAHA, NEB.—A special session of the Nebraska Bar Association annual convention here Dec. 26 will be devoted to discussion of insurance laws. R. G. Rowe, vice-president Lumbermen's Mutual Casualty, will speak on "Automobile Liability Insurance"—a discussion of the rights and responsibilities of the assured the operator, third person and of the rights and responsibilities of the assured, the operator, third person and the company and of legal and practical problems frequently met by the practicing lawyer. Ralph H. Kastner, associate counsel the American Life Convention, will speak on "Legal Problems Which Frequently Arise in Life Insurance Litigation." ance Litigation.

Seek to Reduce Group Minimum

Seek to Reduce Group Minimum

LINCOLN, NEB.—An effort will be made at the next legislative session to secure official recognition of the practice of writing group life insurance for employers with more than 50 workers. The present legal minimum is 100 but a number of companies, without interference from the department, have been meeting this demand, which is considerable in a state where most industries are small. Others, to keep within the law, have been writing one year term coverage with a rate \$2 a year above that of the group rate. A bill is to be drawn that will substitute the definition approved by the National Association of Insurance Commissioners.

Nebraska Chief Clerk Resigns

H. J. Murray has resigned as chief clerk of the Nebraska department, a position he has held since July 1, 1938, to join the accounting staff of the state WPA organization. He formerly was state treasurer.

A. G. Joseph agency, for a number of years located at 225 West 34th street, New York City, has moved to new quarters a short distance away, at 450 7th avenue, corner of 34th street.

St. Louis Leader Top Man in Reliance Contest

Reliance Life has announced that John E. Bardwell, district manager at



district manager at St. Louis, was first among all its producers on paid volume during the period of the annual inter-agency con-test—"The Caritas

test—"The Caritas Cup Race."
Mr. Bardwell, prominent St. Louis agent and an authority on estate planning, during the period Oct. 3-Nov. 30 paid for 10 cases totalin \$226,000. In add

tion, he collaborated on several pension plans, two of which, through his efforts, were adopted during the period by prominent corporations with head-quarters in St. Louis.

JOHNS SPEAKS IN ST. LOUIS

ST. LOUIS - J. F. Johns, superintendent of agents eastern division Reliance Life, attended a meeting of the St. Louis agency. During the annual Caritas cup race the mid-western division headed by Frank Vesser paid for \$689,-

CUP FOR SEABOARD DEPARTMENT

BALTIMORE — The Reliance Life Caritas contest cup was formally presented to the seaboard department at a banquet here. The home office was represented by Jay N. Jamison, executive vice-president; H. T. Burnett, agency vice-president; J. H. Layton, assistant secretary, and J. F. Johns, eastern superintendent of agencies. perintendent of agencies.

Smrha Urges Strengthening of Neb. Laws on Agents

LINCOLN, NEB .- With John S. Logan, department attorney, acting as contact man, committees representing the various lines of insurance in Nebraska are rapidly reaching agreement on the bills that are to be introduced at the session of the legislature beginning Jan. 7. These bills will be sponsored by the Nebraska department, and Direc-tor Smrha said that in addition he may have some recommendations of his own to make to the legislature if not covered in the program being set up.

Mr. Smrha is particularly anxious for

Mr. Smrha is particularly anxious for the strengthening of the provisions re-lating to agents. As the law now stands, if a company applies for the appoint-ment of a person as agent, the director has no discretion in refusing the ap-pointment unless the individual has violated a specific provision of the insur-ance laws, has failed to pay moneys advanced to him or has failed to account for premiums collected. The agent need for premiums collected. The agent need not even be a citizen under the present law. Mr. Smrha says that his 5½ years' naw. Mr. Smrha says that his 5½ years' experience as director has convinced him that both the that both the public and the agency forces require better protection in this

Mr. Logan has suggested an amendment to the law relating to brokers, which now permits the appointment only of individuals, whereas, most of the business is handled by firms or partnerships, and as the business is conducted the law is repeatedly broken, without any unlawful intent.

Yetka Wants Minnesota Code

ST. PAUL-Commissioner Yetka will again ask the legislature to codify the insurance laws of the state, to clear up ambiguities and conflicts that now hamper enforcement of some of the statutes.

More than 550,000 life insurance endowment policies matured last year, paying nearly \$250,000,000 in cash to these policyholders, according to the Institute of Life Insurance.

SALES MEETS

Mutual Life Agents Are in Drive for Field Club Rally

Mutual Life of New York agents are Antual Life of New York agents are going into the home stretch now in their race to qualify for attendance at the annual meeting of the National Field Club to be held at Colorado Springs next June. There will be a "president's luncheon" for which special qualification is required.

cial qualification is required.

Agents who have previously qualified for the club will have to produce and pay for at least \$200,000 in the club year, April 1, 1940, to March 30, 1941. New agents may qualify with \$125,000.

A number of home office men always attend the National Field Club meetings, and it is likely President L. W. Douglas will head the delegation.

Florer Stages Round Table

The H. W. Florer agency of the Aetna Life held its annual round-table meeting in Grand Rapids, Mich. Earl Carter, chief underwriter, R. B. Coolidge, superintendent of agencies, and Carter, chief underwriter, R. B. Coolidge, superintendent of agencies, and Al Kahril, agency assistant, attended from the home office. Howard Dembufsky, regionnaire, and F. H. Plaisted, general agent, were on hand from South Bend, Ind., and E. W. Wiley, group supervisor, from Detroit. Ernest Shassberger, Lansing; A. E. Mason, Jackson, and Don Lowing, Muskegon, were session chairmen.

N. W. National Fargo Meeting

The Northwestern National Life held a two-day meeting in Fargo for field representatives in North Dakota. Speak-ers Friday were W. F. Grantges, super-intendent of agents, and Dr. Carl An-derson, medical director. A banquet was held with 40 persons

in attendance, including wives and guests. Mr. Grantges was master of ceremonies. A. W. Crary of Fargo was in charge of arrangements.

Mecherle at Richmond Rally

G. J. Mecherle, founder and chairman of the State Farm companies, addressing the tri-state convention at Richmond, Va., said that if gains in business continues a branch of the will be set to the state of the stat continue a branch office will be needed in the southeast, probably in Richmond. Commissioner Bowles of Virginia talked at the meeting.

Burial Societies Held Insurance

JEFFERSON CITY, MO.—Voiding a law which permitted such groups certain tax exemptions as "benevolent organizations," the Missouri supreme court has advised the legislature to set our has advised the legislature to set up regulations for control and taxation of scores of burial societies as insurance organizations. The court set aside the tax exemptions in a suit involving the People's Consolidated Burial Association, Doniphan.

The court ruled that the association blaces upon its resembles "menus fasts."

The court ruled that the association places upon its members "many forfeiture provisions which our insurance code specifically prohibits" and added that it "is in no sense a benevolent, religious, scientific or educational organization," but "is a business corporation doing an insurance business."

Ill. Commission Case Reversed

The Illinois supreme court has reversed and remanded decisions of the Peoria circuit court and the Illinois appellate court holding that certain former agents of Peoria Life are not entitled to renewal commissions from Nov. 15. 1933, to Oct. 4, 1934. It was during that period that premiums were paid to Charles V. O'Hern as receiver. Thereafter, the business was reinsured by Alliance Life,
Plaintiffs are Margaret Harwick, De-

troit, assignee of Hugh E. Van de Walker; Thomas E. Rogers, Detroit; Clarence DeLong, Champaign, Ill.; E. B. Siedel, Omaha; W. H. Logan, Omaha; Fidelity & Deposit Company, assignee of George C. Berra, T. A. Curnow.

Dale L. Zapp, Nebraska agent Central Life of Iowa, won temporary posses-

Provident's Christmas Bonus

A Christmas bonus of one month's salary will be paid to home office employes of the Provident Life & Accident. Every department of the Provident, President R. J. Maclellan said, has shown an increase this year over all previous years.

Fame of Baby Blue Spreads

Travelers has made a leaflet out of Travelers has made a leaflet out of the set of pictures that were taken a year ago by Robert L. Blue, field assistant of Travelers at Columbus, O., of his three months old daughter, Virginia Ann. Thousands of the leaflets are being distributed. The pictures were first used in a window display in Columbus during the Annual Message of Life Insurance. Later the pictures were printed in a double page spread in "Protection," the weekly publication of Travelers.

Phoenix Mutual Wins Top Prize

Phoenix Mutual Life has been awarded first prize in a contest sponsored by a large manufacturer of blotsored by a large manufacturer of blot-ting papers. The entry that was recog-nized was the calendar blotter which features some of the outstanding work now being done by American photog-

Bankers of Iowa Nov. Payments

Bankers Life of Iowa paid 65 percent of its November policy payments to living policyowners in the form of dividends, disability and annuity payments. Total of these payments was \$1,019,679. Beneficiaries of the 177 policies which

Dale L. Zapp, Nebraska agent Central Life of Iowa, won temporary posses-sion of the president's trophy for high-est percentage of increase in paid premiums during the third quarter, 134 percent. Fred Lundin of Minnesota was second with 108 percent.

Public Relations Twin City Topic

W. R. Jenkins, Northwestern National Life, spoke at a dinner meeting of the Home Office Life Club of the Twin Cities in Minneapolis on "Reappraising Our Public Relations." Walter Wheeler, Northwestern National, was chairman.

NEWS NOTES

NEWS NOTES

H. F. Browning, Parma, O., Cleveland agency Ohio State Life, has been chosen a member of the Ohio State Life Honor Club and in November ranked third in production. This has been accomplished in spite of the fact that Mr. Browning has been sworn into service and is now in the infantry training school at Fort Benning, Ga.

R. N. Waddell, Pittsburgh general agent Connecticut Mutual Life, spoke to the Pittsburgh Real Estate Board. He advised his audience to avoid war hysteria and quit worrying about national politics and to buckle down to work. The next two years will be good business years, he predicted.

T. Graham Hall of Hall & Benedict,

T. Graham Hall of Hall & Benedict, agents Aetna Casualty, and Alden H. Smith, general agents Northwestern Mutual Life, have been elected on the board of governors of the Nashville chamber of commerce.

The annual meeting and election of the St. Paul General Agents & Managers Club, set for Dec. 16, had to be post-poned on account of the severe snow-storm that day.





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INSURANCE COMPANY

Equitable of Iowa Revises System

(CONTINUED FROM PAGE 1)

Fourth-10th year, 2 percent. Renewal commissions payable in the second and third years are nonforfeit-

Qualification for Renewals: D. Qualification for Kenewals: One renewal, \$1,200 in premiums. Two renewals, \$2,000 in premiums. Nine renewals, \$3,000 in premiums. C. Additional conservation commis-

sions:

Two percent to active agents from the 11th year and thereafter as long as the policy is premium paying subject to: (1) The earning of nine renewals in the qualifying year; (2) A first year persistency record of 80 percent reckoned either by amount of business or by number of policies: (3) A total of \$7,500 in premiums paid for in the five immediately preceding calendar years. diately preceding calendar years.

Situation of New Agent

Any new agent whose effective date of contract is Jan 1 or thereafter, may be inducted under this new contract, although the former standard graded contract will remain optional. It is anticipated that the new contract with its higher renewal commissions in the earlier years will hasten the stabilization of income and also tend toward improving the persistency of the business due to the fact that the agent has a higher commission interest in the earlier years of his production, which are critical years from a conservation standpoint.

from a conservation standpoint.

Here is how the plan will work in the case of a typical new agent, age 30.

Average premium \$27. Average first year commission 45%. Good termination rate.

Something Tears	Forest September 2018 Total comm. 100 100	Сопвегу,	*Total &Income	Equifund deposit	Equifund accum,
1	\$936		1,701 2,196 2,482 2,593 2,662 2,717 2,769	\$28.08	\$28.57 81.48
2	1,701		9 106	51.03	81 48
-3	2,196	* * *	9 489	65.88	151.36
4	2,482		9 502	74.46	232.41
D G	2,595		9 669	77.79	319.70
6	2,662		2,002	79.86	412.14
7	2,717		0.760	81.51	509.49
8	2,769		2,103	83.07	611.84
9	2,819		2,013	84.57	719.30
10	2,867		2,001	86.01	831.99
11	2,890	800	2,030	86.70	949.32
12	2,899	\$36 77 120	2,819 2,867 2,890 2,935 2,979	88.05	1,072.13
13	2,902	700	3,022	89.37	1,200.57
14	2,902	120	0,022	90.66	1,334.83
15	2,902	161	3,063 3,249	96.42	2,098.90
20	2,902 2,902	347	3,249	101.19	3,034.59
25	2,902	498	3,400	104.88	4,168.43
10 11 12 13 14 15 20 25 35	2,902 2,902	615 697	3,517 3,599	107.58	5,532.06
				0.005.00	= = = = = = =

96,277 10,162 106,439 3,085.20 5,532.06

Retires at age 65 no further produc-on assumed.

Annual Income let vr Benewals from contract \$1.080

Age 65—Conservation commission Life annuity Equifund	n 710
Total 6th yr.—Renewals from contract. Age 70—Conservation commission Life annuity Equifund	n 756
Total	. \$2,002
Total	1.\$ 536

Total\$1,584
Equifund income includes income from mpany's contribution.

Established Agents

All established agents may change from the old to the new contract if they so desire, and it is apparent that many agents desirous of increasing their commission incomes in 1942 and 1943 will elect to change to the new contract plan. On the other hand, certain established agents may feel that their incomes will be less subject to fluctuation under their present contractual plans. The "additional conservation commissions" in the 11th and subsequent years are, of course, available to established are, of course, available to established agents under their former contracts.

Here's how the plan will work in the

case of a typical established agent, age

Annual production, \$150,000.

Average first year commission 45%.

Average premium, \$27.
Good termination rate.

Illustration assumes agent has been with the company a sufficient time to establish maximum commission income under former contract.

	Years Comm. in- come former	Total comm. income new contract	Conserv.	Total income	Equifund deposit	Equifund accum.
1	\$1,136	\$1,823		\$2,959	\$88.77	\$90.3
2	980	2,273		3,253	88.77	183.7
3	835	2.531		3,366	97.59	289.5
4	698	2.592		3,290	100.98	402.3
5	568	2 650		3,218	98.70	516.8
6	544	2,705		3.249	96.54	633.1
7	326	$\frac{2,705}{2,757}$		3.083	97.47	754.5
3 4 5 6 7 8 9 10 11	213	2.807		3,020	92.49	875.03
9	105	2.856		2.961	90.60	997.83
10		$\frac{2,903}{2,903}$		2.903	88.83	1,123.13
11		2,903	\$45	2,948	87.09	1,251.0
12 13		2,903	89	2,992	88.44	1,384.83
13		2.903	131	3.034	89.76	1,524.6 1,670.5
14		2,903	172	3,075	91.02	1,670.5
15		2.903	211	3,114	92.25	1.822.90
20		2,903	388	3,291	97.77	2.686.43
25		2,903	531	3,434	102.24	3,738.77
			-			

5,405 69,442 4,634 79,481 2.370.18 3.738.77 Retires at age 65, no further production assumed.

Annual Income		
1st yr.—Renewals from contract. Age 65—Conservative commission Life annuity equifund	n	,080 555 708
Total 6th yr.—Renewals from contract. Age 70—Conservation commission Life annuity equifund.	. \$ n	198 657 708
Total	. \$,563 679 708
Total	. \$,387 514 708
Total Equifund income includes income company's contribution.		

Provisions of Equifund

Equifund, a pension plan for agents, was established in 1938. Under Equifund an agent may deposit from 1 to 3 percent of his total first year and renewal commission income with the company, to which the company contributes an equal sum toward a retirement income fund. Under certain conditions an additional 2 percent of an agent's income may be deposited, to which, however, the com-

pany makes no matching contribution, but which earns interest at the same rate as the regular deposits.

Retirement under Equifund is based on a life annuity with or without refund or on a last survivor basis at age 65. Although the primary purpose of Equivudia a retirement income. fund is to provide a retirement income for a qualified agent, death benefits prior to retirement as well as disability bene-fits are provided. Agents withdrawing from the company before becoming eligible for retirement receive the sum of their deposits plus interest but their matching shares of company contribu-tions revert to Equifund to be credited, at the discretion of the company, to the depositors. Mr. Fuller states that a large number of agents are making regular and substantial contributions to Equi-

"With its new contract, and Equi-fund, Equitable Life of Iowa," Mr. Fulfund, Equitable Life of Iowa," Mr. Fuller states, "has gone far toward meeting present day concepts of a life company's responsibilities to its agents. The new contract is an important forward step in agency practices as it affects both the new and the established agent. The larger renewal commissions in the earlier years under the new contract will larger renewal commissions in the ear-lier years under the new contract will be most helpful in assisting new agents to place themselves in a position where they can operate profitably on permanent commission contracts, and the 'additional conservation commissions' in the 11th and subsequent years will definitely bring about adequate remuneration for the established agent in the later years of his service." of his service.

Managers Told How to Build Agencies at Detroit Pariey

(CONTINUED FROM PAGE 1)

reviewed so that many small policies have been built into larger ones.

Rochester agents were asked what they desire most from their managers and 46 percent declared that the best and 46 percent declared that the best thing their manager can do for them is to make himself looked up to in the community, be active and well thought of. Every manager should be active in his association, take a prominent part in civic and public activities and should do some speaking, both before other insurance organizations and before clubs and other groups. This helps a great deal to build prestige that will make a man-

ager's agents proud to work with him.

The general agent should always be available to agents for consultation. As time is a serious factor, Mr. Works visits his men in their offices rather than having them come to his so when he is done he can always get up and go to another. When they come to his office it is not so easy to get the consultation over so quickly. Every agent, whether he is a beginner, a low producer or a leader, should be treated alike by the general

agent. A manager is prone to spend the most A manager is prone to spend the most time with his best producers and men whom he likes best personally. This is a mistake. Personal likes and dislikes should have nothing to do with it.

Remember Anniversaries

Mr. Works urged general agents to remember their agents' children's birthdays, their wedding anniversaries and the like. He sends flowers to the wife on the wedding anniversary and thus proves his friendly interest in the family and gains the assistance of the wife to

help keep the husband working hard at

the job.

H. W. Florer, Grand Rapids, general agent Aetna Life, in talking on "Recruiting," said he has found it useful in recruiting to use a large book which covers life insurance including an analysis of the actual work done by men in the of the actual work done by men in the of the actual work done by men in the agency, camouflaged only by case numbers in place of names. He gives prospective new agent books on life insurance and does not attempt to get them back, feeling that they will eventually get into the hands of others who may be interested. interested.

Confer with Agency Heads

A new recruit confers with all three agency heads as well as with at least two of the older agents. They do not attempt to "gild the lily" but lay the true facts before the new man so he will not become discouraged too easily when he starts in the field. The new agent is told that he cannot expect to make a good living in the business for at least two years and his wife is told that certain sacrifices will be necessary at first. If the wife cannot be sold on the idea the recruit is dropped right there; he will never succeed with opposition at home. A new recruit confers with all three

home.

Advertising for prospective agents may be all right in the larger cities, but in smaller communities it is useless, Mr. Florer asserted. He watches for mergers and depressions in other lines of business, then approaches the better men affected by these uncertainties in their own lines of business. This has been very effective. very effective.

Recruiting Figures Cited

The Florer agency has a quota of four The Florer agency has a quota of four new men for each supervisor but rarely meets this quota. Forty-four new men have been added in seven years, 24 of whom are still with the agency. Ten percent of the recruits lasted less than one month. In securing the 44 men, 1,763 men were contacted and 256 men were interviewed by the agency staff. If requires 40 calls and 10 interviews for each man inducted into the agency.

A new agency must be given the unanimous approval of at least five in the agency before he will be contracted. None are inducted whom the agency management has not known for at least month, and many are inducted for a month and many are inducted after

a month and many are inducted after several years of contact.

Each supervisory executive in the agency has his work planned a month in advance, with six man-days assigned to each for recruiting each month. Actual records for five years show that 50 mandays instead of the theoretical 72 were spent in this work.

Schuster Asks Support

J. L. Schuster, Penn Mutual, Grand Rapids, chairman Life Leaders of Mich-igan, the quarter-million club, declared that the organization has not made the progress that its officers had hoped for

progress that its officers had hoped for in this state and made an urgent plea for affiliation and support by general agents. At noon the managers joined more than 300 members of Qualified Life Underwriters at luncheon at which Mr. Bragg gave his "The Story of George Spelvin," which made such a hit at the National convention in Philadelphia. Wm. A. Post, Connecticut General, presided.

Salary Plan Discussed

J. C. Benson, Cincinnati, manager Union Central, in discussing the salary plan that has been in effect in his agency since 1939, presented a complete analysis of his agency's business and he summarized the results up to Nov. 30 of this year.

of this year.

When he was in Kansas City, he inducted 21 men into the business without financing. In the past four years in Cincinnati, all new men were started on the salary plan. From these experiences he has learned two things: first, money is not by any means a substitute for work in training men for the life insurance business, and second, "you can't make a silk purse out of a sow's ear."

Any financing plan involves giving



Among those attending the annual meeting of the Institute of Life Insurance: J. M. Webb, vice-president Bankers National Life; A. K. Taylor, head of the advertising firm of A. K. Taylor Associates; Richard Rhodeback, superintendent of agencies United States Life; and W. J. Sieger, vice-president and superintendent of agencies Bankers National Life.

Valuable Points Made in Guertin Hearing

(CONTINUED FROM PAGE 1)

men money before they earn it. The salary plan will enable the general agent to bring some men into the business who would not otherwise be able to en-ter it, men who are ambitious but are not in a position to finance themselves; also, it enables the management to spend enough time on the new men to train and equip them properly for their pro-

fession.

Of the new men inducted in Cincinnati in the last four years, 65 percent are still with the agency and another 23 percent were successful but left for reasons other than production failure. Thirty-two percent of the new men did not "pan out." Of the 65 percent who are in production, but three men, all in their first year with the agency, are now on the salary plan because they need to be. Others are still on the plan because they want to be, but their commissions exceed their salaries by satisfactory margins.

Only New Agents Hired

The Benson agency does not hire men on the salary plan who have ever sold life insurance before. No salary is paid in excess of \$50 per week. There is no standard figure, the salary depending on the minimum needs of the individual agents. Every new man must agree to stay on the salary plan for at least one full year if he remains with the agency. The agency itself owns the renewals until the agent's account with the agency is entirely liquidated. A man does not en-ter upon the plan until he has had some preliminary training.

preliminary training.

In order to protect the agency the company placed in effect a regulation that every man on the plan must produce 15 percent of his salary the first 30 days in cash commissions, with an increase of 5 percent per month. If the man falls down on this quota any single month, he is automatically off the plan. This regulation has been strictly adhered to throughout the life of the plan.

Selection Chart Used

The agency will not hire a man unless he measures up to certain standards set up on the company's selection chart, which acts as a check on the judgment of the agency executives. A definite routine has been set up for interviewing prospective agents from which there is no deviation. There are five definite and precise interviews after the preliminary and a man cannot be hired until after the conclusion of the fifth interview. At the first interview an attempt is made to judge whether the man has a 75 percent chance of success in the The agency will not hire a man unless

made to judge whether the man has a 75 percent chance of success in the business. Personal likes or dislikes have no bearing on it. The basic principles of life insurance are covered and a selection is given. At the second, the recruit is shown how he can get prospects. At the third, actual sales demonstrations of a package sale and a simple program sale are conducted. The prospect is required to designate one man already in the agency with whom he talks about the agency and its management. At the fourth, and longest interview, the management traces the actual work of the agement traces the actual work of the agent and puts over the idea that 90 percent of the agent's work is unsuccessful. If he survives the discouraging fourth

If he survives the discouraging fourth interview, at the fifth the money end of the business and the salary plan are explained to him. This interview is usually conducted with the wife present and a living expenses budget is set up on which both agent and wife agree that they can live during the active ref. the

on which both agent and wife agree that they can live during the early part of the agent's new career, on which the salary is based.

H. B. Thompson, secretary-counsel of both associations sponsoring the congress, discussed new regulations covering the intangibles tax law, which omit reference to deferred annuities.

W. H. Hall, manager tax research division of the Detroit Board of Commerce, closed the congress with "The Effect of Defense Activities on Michigan Business."

A. F. Chamberlain, 85, for 25 years a director of Northwestern National Life,

for Dec. 6, calls for determination of an "insurance equity" on the basis of a modified preliminary term formula according to a mortality table based on recent experience approved by the commissioners and a rate of interest of not more than 3½ percent during the premium-paying term of the policy and not prove the contract during the premium-paying term of the policy and not prove the contract during the present during the presen more than 3 percent during any period thereafter, the difference between such interest rates not to exceed one-half of 1 percent, less a deduction which would not exceed \$10 per \$1,000 of insurance during the first five policy years, de-creasing by \$1 for each successive year of duration to zero in the 15th and sub-sequent years. Every policy, according to the pro-

posal, would provide for paid-up or extended insurance to be calculated ac-cording to mortality basis used in calculating the insurance equity; provided that in the case of ordinary paid-up term insurance a special table providing for rates of mortality not exceeding 130 percent of rates according to such table may be used and in connection with paid-up or extended according to a rate of interest which may be lower by not more than one-half of 1 percent than that assumed for the premium-paying term of the policy in calculating the insurance equity but not more than 3

No Compulsory Cash Values

The third major provision is that

The third major provision is that there need be no compulsory cash values but a minimum limit placed on the size of cash values if they are granted. No cash value could be granted which would be less than a fixed percentage of the insurance equity for the net value of an insurance nonforfeiture benefit in force. The fixed percentage contemplated is 95 percent.

R. D. Murphy, vice-president and actuary Equitable Society, spoke on behalf of a group of actuaries and lawyers who considered the first report of the committee when it was studying mortality tables and which was called together again by the Life Presidents Association to consider the latest proposal. Mr. Murphy made it clear that his comments were concerned solely with the principles involved, no attempt being made at that time to suggest improvement in draftsmanship and choice of expressions.

Urges Extreme Care

Urges Extreme Care

"It should be mentioned, however," he said, "as emphatically stressed by our lawyers, that extreme care should be exercised in the phraseology, arrange-ment of text, and the use of new terms which might invite future controversies, which might invite future controversies, including troublesome and serious litigation under lapsed policies. It is thought that the proposed nonforfeiture law particularly invites such litigation in a number of respects, as for example, in the use of the new term 'insurance equity.' We believe that when the committee reaches its conclusions on matters of principle, ample opportunity should be given to review the text of its proposals."

posals."

Heartily commending the committee for proposing a basis of nonforfeiture values independent of policy valuations, Mr. Murphy said that such a separation is in accord with sound principles and gives promise that "we may, at last, do away with the complications and unwise restrictions which have arisen in the past due to the confusion of one subject with the other."

Wants Link to Known Table

Mr. Murphy expressed the belief that Mr. Murphy expressed the belief that any model nonforfeiture law must specify minimum values stated with reference to some acceptable mortality table and rate of interest if it is to avoid serious litigation. He suggested the American Men Ultimate table and 3½ percent interest throughout. He explained that this would avoid certain grave difficulties inherent in the "vari-

able and uncertain standards" employed by the proposed bill. He said that a company under the proposed law could not fix its surrender values until all states in which it opervalues until all states in which it operated had approved the basis of its values in accordance with sec'ion 7 of the proposed bill and that a single state with different views could effectively block company action everywhere. Section 7 states that "any table may be deemed appropriate which is constructed according to recognized actuaried principles. appropriate which is constructed according to recognized actuarial principles and shall have been based on statistical data certified by the company to the commissioner as representative of recent mortality experience of a life insurance company or companies issuing similar policies on risks substantially similar to the class to which the policies based on the said table are intended to be issued and which has been approved by the commissioner." by the commissioner.

Sees Possible Discord

Mr. Murphy said that some disagreement might arise over what constitutes a mortality table "representative of recent mortality experience of a life insurance company or companies issuing

similar policies," and that some might not consider even the American Men Ultimate table to be "recent." Pointing out that the discretionary

Pointing out that the discretionary action of any commissioner in approving any basis for nonforfeiture values would always be open to question by contentious policyholders and beneficiaries, Mr. Murphy said that companies would, therefore, be in constant risk of serious litigation for many years in the future. He said that it should be carefully noted that the fixing of this minimum standard would not prevent a company from using a more modern table than the American Men Ultimate in the calculation of nonforfeiture values if it should wish to do so and if the resulting values were not less than the statutory miniwere not less than the statutory mini-

While expressing approval of the stat-While expressing approval of the statutory minimum nonforfeiture values with reference to a modified preliminary term reserve as a basis, Mr. Murphy said that as to the magnitude of these deductions to be allowed from these reserve values there exists a wide variety of gross premiums and expense incidence among the companies located throughout the country and it is doubtful whether all such companies now operating, in a healthy manner should be required to meet the standards described by the proposed bill.

This point was later emphasized by



How Big Is a Family?

That depends upon the number of members in it. Irrespective of whether there are two or twenty adequate family protection should include insurance for every member. The new Minnesota Mutual Family Policy will do just that, at low cost. It is one of the attractive policies which can be purchased under Minnesota Mutual's Pay Roll Deduction Plan now in use by over 500 firms. Family Policy premiums are automatically paid through small monthly deductions wherever the Pay Roll Plan is employed.

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- Unusually effective selling equipment
- 9. Policies for every purpose: Regular— Family—Juvenile—Women—Group— Payroll Savings, etc.
- 10. Low monthly premiums

A \$235,000,000.00 Mutual Company, 60 years old with an understanding, cooperative Home Office.

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota

Ronald Stagg, Lincoln National Life, who said that some companies, particularly in the middle west, are not on a basis to grant such liberal surrender values without unduly raising their premium rates, which in turn would put them in a bad position competitively. He said that these minima looked more like maxima to two or three actuaries that he had talked to.

Mr. Guertin asked if it would not be a good thing for a company on a high expense basis to have to raise premiums rather than taxing the surrendering policyholders. Mr. Stagg said that the policyholders. Mr. Sta proposal might keep some companies from meeting competitively the rates of other companies.

Another critic of the proposal asserted that since it would be the smaller com-panies with certain higher expenses per unit as compared with the larger com-panies which would suffer, there would be danger of a monopoly by the larger companies, since the smaller ones would be forced to raise their rates to provide the required minimum surrender values.

Commends Mortality Differential

Commenting on the proposal for a Commenting on the proposal for a higher mortality assumption in comput-ing the extended term benefit to counter-act antiselection, Mr. Murphy endorsed the provision but opposed the determinthe provision but opposed the determining of insurance equities under limited payment policies by providing for 3½ percent interest during the premium paying period and 3 percent thereafter. He said that in effect this partly nullifies the proposed policy valuation law because the resulting nonforfeiture benefits would closely approach those on a straight 3 percent basis and under the last sentence of section 2 of the prostraight 3 percent basis and under the last sentence of section 3 of the proposed policy valuation law the actual use of the apparent permission to value policies on a 3½ percent basis would be impossible and that therefore the two proposed laws are at conflict with each

He also opposed the general propo-He also opposed the general proposition of interest rates which vary with duration of contracts saying that a level rate should be chosen to run throughout the policy period. He advocated that it be made clear by specific language that disability, double indemnity, continuous installments or other subsidiary benefits calling for extra premiums should not be included in nonforfeiture benefits and that the reserves for these should not that the reserves for these should not be included in the calculation of the so-called insurance equity.

Wants Provision Clarified

Calling attention to the absence in the proposed bill of any description of the amount of the extended term insurance benefits, Mr. Murphy said that the law should specifically permit a company at its option to reduce the face amount of insurance by the property of the insurance by the amount of any existing indebtedness so that there may be no basis for contending that the company was bound to extend the full face amount despite the existence of a policy loan. He suggested following the language of the New York law in this respect adding that this phraseology should take care of contracts with varying face amounts which might otherwise be subject to question.

Other suggestions on nonforfeiture valuations made by Mr. Murphy were that to save on expense the policy table of nonforfeiture values cover the first 20 policy years instead of 20 years from the date on which values and options first become available; that the proposed bill continue to make available small amounts of cash values; that the place of delivery of the policy govern the contract rather than the residence of the insured; that the proposed law apply only to insurance issued at standard rates of premium and that it should specify that the commissioner should have power to approve the basis of non-forfeiture benefits for substandard insurance under some general power of approval rather than by specific descrip-tion in the statute of the method to be used; and that the law should completely exempt certain classes of term policies by restricting the exemption to term policies of 20 years or less which expire efore age 66.

Commenting on the committee's prod policy valuation law, Mr. Murphy that rather than restricting comsaid that rather than restricting companies to the American Experience or American Men Ultimate or tables which it may submit as being "reasonably representative of mortality experience on policies of the classes to which such tables are intended to be applied," it would be desirable to give a commissioner the power to approve the use of any mortality table which produces aggregate reserves in excess of the reserves by one of the two tables specifically permitted. permitted.

Tables not coming directly out of actual experience may prove very use-ful," he said "There is much to be said for tables providing a more reasonable margin of safety than is provided under some tables which do represent actual experience. We do not think the door should be definitely closed to the use of such tables and if the aggregate reserves test is made the door may be left open with perfect safety.'

FORECAST TABLE

As for valuing annuity, pure endowment, disability, accidental death benefits or provisions, Mr. Murphy urged that a commissioner be given power to approve a table even though not "rea-sonably representative of insurance comexperience." For example, perience. For example, ne permitted to approve a fore-e for valuing annuities, even should be though it does gh it does not represent actual rience, or disability and accidental n benefits which may not represent actual experience but which may be constructed by adjusting prior tables where the adjustment is shown to make a rea-sonable provision for future contingen-

Mr. Murphy also objected to the deficiency reserve proposal, saying that similar requirements in the past have had the effect of making a company charge higher premiums at the lower ages than would have been justified by actual experience and that in reality it is an attempt to legislate minimum premiums and produces certain artificial

'For example, if a company wishes to strengthen its reserve basis on old business by adopting a lower rate of interest, it may be confronted with the necessity under this provision of putting up not only the extra reserve which it contemplated but a deficiency reserve as well," he pointed out. "The penalty in this case is absurd. Consequently such a requirement has the effect of discouraging the use of conservative reserves."

Suggests New York Provision

Mr. Murphy suggested that the same end could be accomplished by using the New York insurance law language: "No such company shall issue any life in-surance or annuity contract which shall not appear to be self-supporting on reasonable assumptions as mortality and expense."

Asked by Mr. Guertin if this would not mean giving the states the power over fixing rates, Mr. Murphy denied that this would be so but would merely mean that a company would have to stand ready to defend the reasonableness

of its reserve basis.

Other members of the committee of which Mr. Murphy is chairman include H. C. Bates, general counsel Metropolitan Life; L. W. Dawson, vice-president and general counsel Mutual Life; B. D. Flynn, vice-president and actuary Travelers; Valentine Howell, vice-president and actuary Prudential; E. W. Marshall, vice-president and actuary Provident

wice-president and actuary Provident Mutual; A. J. McAndless, president Lincoln National Life.

Mr. Murphy did not cover industrial and group in his comments. H. R. Bassford, actuary Metropolitan Life, covered these phases. He cointed out covered these phases. He pointed out that because industrial lacks the selec-tion period contemplated by the pre-liminary term basis, the latter would involve higher nonforfeiture benefits

than at present for industrial even if these were computed on an interest basis one-half of 1 percent lower than during the premium-paying period. He suggested the loaded single-premium basis as being more practical. As to group, he was mainly concerned that the proposed law continue to permit the unearned premium reserve to be used as a

basis of valuation. E. W. Marsha E. W. Marshall, vice-president and actuary Provident Mutual, warned that it would be inadvisable to base policy valuations on a mortality table that is so modern that it is "pared right down to the bone." He pointed out that there to the bone.' should be a safety factor in the mor-tality table as well as in the interest and expense factors, that if this were not done the added expense loading that would be necessary might cause the same sort of misunderstandings that have arisen from the redundant American Experience table.

Insurance Likened to Bridge

Asked by Mr. Guertin for suggestions, Mr. Marshall said he had taken Table Z (the table submitted by the Guertin committee when it was studying solely the mortality question) and added \$1.50 per \$1,000 or 10 percent, whichever was creater. This gives yeary close per \$1,000 or 10 percent, whichever was greater. This gave figures very close to the American Men Ultimate at the older ages and somewhat greater than that table at the younger ages. Mr. Marshall said that it would be unwise for a legislature to attempt to specify what sector factor should be inverted. what safety factors should be incorpo-rated into a bridge and the same prin-ciple applies to life insurance policy valuations

Ralph Keffer, Aetna Life, pointed out that while 3 or 3½ percent interest as-sumptions are currently reasonable, they should not be frozen into the law on nonforfeiture provisions since in future years it is entirely possible that interest nonforfeiture levels may go up again. He said nonpar companies should not be prevented from being able to go to a 4 percent interest assumption, for example, if that should appear reasonable, whereas the proposed law, by the higher cash values it would impose, would not permit the higher interest assumption. This situa-tion would mean that the states would be legislating minimum premiums.

Hearing Goes Swiftly

The hearing went along rapidly. The response to Chairman Guertin's request that remarks be brief and to the point was so good that the hearing, which got under way at 10:40, concluded at 1:15 without the necessity of holding an afternoon session. While it was thought that noon session. While it was thought that fee counsellors and others might be on hand to criticize present or proposed laws, the only non-life insurance speaker was H. L. Bonn, an elderly employer who objected to what he deemed the unreasonable rise in his group insurance are He declared that the federal over rate. He declared that the federal government should take over the supervision of insurance companies. The committee heard him patiently. Then Mr. Guertin reminded him that the United States Supreme Court leaves such matters to the states and that the committee was doing its best to deal with the question at hand.

In addition to Mr. Guertin, members of the committee on hand included Russell O. Hooker, actuary Connecticut department, vice-chairman; Charles Hughes, chief audit bureau, New York department; F. Edward Huston, American Life Convention; John S. Thompson, vice president Mutual Bonefet Life son, vice-president Mutual Benefit Life, representing Actuarial Society of America, and Charles A. Taylor, actuary Life of Virginia, representing American Institute of Actuaries.

Auditor Charles Hughes of the New York department appropried that the

York department announced that the department is notifying companies this week that they can disregard the notice week that they can disregard the notice he sent out on Nov. 26, and follow new requirements for bonds qualifying for amortization. The new standard is almost identical with that adopted by the insurance commissioners' committee on valuations

Maximilian Hollenberg, associate actuary New York department and chair-

man of the department committee on non forfeiture provisions, said that it might not be possible for the New York committee to wait until the commissioners' committee turns in its final report in June and that it might be necessary to draft a proposal to be submitted at the coming legislative session. He mentioned that his committee had been in close touch with the Guertin commit-tee, a member of the latter group being Auditor Charles Hughes of the New York department.

HEARING IN CHICAGO

Standard use of the American Men ultimate table, one interest rate instead of two throughout the duration of policies for computing minimum reserves on which non-forfeiture values are based preferably 3½ percent—and maximum surrender charge of \$20 for the first five policy years, grading off completely in 15 years, were changes urged by a committee of the American Life Convention at a hearing in Chicago Wednesday conducted by the Guertin committee of the commissioners on proposed changes in non-forfeiture values and valuation of reserve liabilities.

A four-page presentation, embodying much approval and some criticism and suggestion was read by T. A. Phillips, president Minnesota Mutual Life, chair-

man A. L. C. committee.

The A. L. C. proposals were drafted at an all-day meeting Tuesday attended by 20 officials of A. L. C. companies in addition to the committee. There was not sufficient representation of group and industrial sections of the business, Mr. Phillips said and he asked a further hearing for these interests.

Gave General Approval

The A. L. C. committee approved dissociation of surrender values and actu-arial reserve liabilities, showing in poli-cies of the basis of non-forfeiture values, statutory minimum basis of actuarial reserves, and, with the exception noted in urging American Men ultimate table, the permitting of valuing policies on an ap-proved mortality table or lower interest rate so long as aggregate reserves are least equal to the minimum required.

Permission of an optional mortality table would seem likely to affect public confidence, would introduce many unnecessary complications and create new difficulties for legal departments, it was argued. The American Men ultimate table could be presented to legislators as "a substantial and reasonably just measure of the non-forfeiture fund applicable to a surrendering policyholder (subjecto the use of proper surrender charges). It would simplify supervisory tasks. (subject

In regard to interest assumption, it was argued, "If there is need for more than the actuarial reserve after premiums cease, the need arises in the field of operating costs and management should make other appropriate provision

Notes "Actuarial Description"

The A L. C. committee approved basing minimum non-forfeiture values reserves according to a modified preliminary term method, but prefers a differnary term method, but prefers a different method of expressing them than was proposed. The "actuarial description" in the commissioners' plan seems unnecessary and might add to difficulties and uncertainties of court interpretation

The A. L. C. men supported general adoption of the basis of computing reserves for non-forfeiture values and valuations although it is slightly different from the Illinois standard, but this

from the Illinois standard, bushould describe the actuarial basis. but this committee suggested this be identified as "Commissioners' Basis of Valuation."

"non-forfeiture insurance fund" recommended, not less than terminal reserves on American Men ultimate table on modified preliminary term 3½ percent basis, less certain stated maximum surrender charges, and that this fund should be used to provide paid-up or extended insurance

The committee approved computation

of insurance by a special mortality table and at the same interest rate as used in reserves from which the non-forfeiture fund is derived; purchasing of paid-up insurance by a net single premium at the interest rate used in such reserves; and computing cash values at not less than computing cash values at not less than 95 percent of the non-forfeiture insurance fund. It was said there might be advantage in stating cash values in the policy, since under the proposal it would be necessary to deduct from the insurance equity an amount greater than the actual loan, which might produce "bad law" and misunderstandings.

Sentiment on Surrender Charge

The committee found some sentiment for a surrender charge of more than \$20, and some companies that would support a surrender charge of about \$10 permis-sible for all durations. The committee urged no non-forfeiture value be required until at least one full year's premium has been paid; that non-forfeiture benefits should not be required in term policies of 20 years or less expiring before age 71; that policyholder's option for election of non-forfeiture benefit should

election of non-forfeiture benefit should be limited to the premium grace period. The other members of the A. L. C. committee present were L. M. Cathles, president North American Reassurance; R. E. Moyer, vice-president and actuary Continental Assurance, and Ralph H. Kastner, associate general counsel A. L. C.

Kastner, associate general counsel A. L. C.

F. E. Huston, secretary-actuary A. L. C., is a member of the Guertin committee, formerly having been chief deputy of the state of Washington. All the members of this committee were present except J. S. Thompson, Actuarial Society of America, and C. A. Taylor, American Institute of Actuaries.

Mr. Phillips said he had received many letters regarding the commissioners' proposal. The A.L.C. committee had one thought in mind, that there would be great opportunities for lawyers to question the table of valuations being used by a company, if choice of a table were left open. That, he said, was one main reason for suggesting the American Men ultimate table. ican Men ultimate table

Want Uniform Adoption

He said the company men would like He said the company men would like to have the proposed law adopted uniformly by the various states, and this could be better done if a uniform table were recommended. Chairman Guertin said it undoubtedly would be a long-term program, probably at least 15 years to accomplish the necessary legislation country wide. There was some discussion of American Men ultimate table, the question being raised whether in time it might prove to embody inequities similar to American Experience table now. Mr. Phillips expressed belief that American Men ultimate embodies "substantially just" values for policyholders. bodies "subs policyholders.

Mr. Guertin asked if it were not true that "extraordinarily large mortality savings" from use of American Experience table might be applied to pay expenses. There was some discussion of this point.

this point.

The A.L.C. surrender charge proposal was taken up, Mr. Phillips being asked if any of the companies could supply statistical material supporting the proposed \$20 base. Mr. Phillips noted a western company's surrender value basis is under that proposed by the committee, and the proposal would mean that company would have to raise its surrender values. J. C. Seitz, Guarantee Mutual Life, asked for consideration of the effect of the proposal on a "par" company operating at premium rates close to "non-par."

Mr. Phillips read a letter from Pan-

close to "non-par."

Mr. Phillips read a letter from PanAmerican Life which stated any legislation which would force the company to raise its surrender values would force it to increase its premiums, and Mr. Phillips said this was typical of the sit-

uation of many companies.

Mr. Guertin asked, assuming an adequate premium, whether the size of the "asset share" is not governed largely by the incidence or level of expenses. Asset

shares vary within a company, Mr. Phillips replied, and the actuary can be perfectly honest in these assumptions. The surrender value should not be too a company, Mr.

Ronald Stagg, Lincoln National, who also appeared in New York, discussed expenses at Chicago. Premiums, he said, are fixed more or less by competition. Death benefits also are fixed. Nonforfeiture benefits have fluctuated consistently with premiums and other facsistently with premiums and other fac-tors. Any formula seriously affecting this latter factor therefore might make

this latter factor therefore might make great difficulty.

The problem, Mr. Stagg said, is to locate the exact spot to set surrender charge, and this should be possible through reviewing data of a sufficient number of companies.

Another actuary said the minimum values set up in the proposal exceed his company's non-forfeiture calculations, and, he believed, also exceed its asset share figures. He expressed reluctance and, he believed, also exceed its asset share figures. He expressed reluctance to have such a minimum standard crystallize at this stage due to the probability that life companies will have to pay increased taxes. He said there is a limit to what the premium can cover. He was satisfied with the present \$25 per thousand surrender charge

Another Company's Problem

Another actuary said his company which pays nine renewal commissions of 7½ percent has been planning to pay renewal commission in the sec-

a high renewal commission in the second and third years to aid persistency, but to do so it must maintain a high surrender charge in early years.

A criticism was that it was inconsistent not to require the granting of a cash value, but to require if one is given that it be greater than some companies now give. Chairman Guertin said this was purely a question of finding the proper level.

V. R. Smith, who is general manager Confederation Life, is a member of the A.L.C. committee. He was unable to attend but had sent a letter to Mr. Phillips containing a fine analysis.

Mr. Phillips containing a fine analysis. At Mr. Phillips' request the letter was made a part of the record.

K. B. Piper, Provident Life & Accident, said many officials visualize further increase in the cost of insurance. If the interest rate goes lower, the trend will be definitely toward ordinary life, will be definitely toward ordinary life, long term endowment and term, and away from limited pay contracts and shorter term endowments. This will intensify the competition with automobiles and other products for the consumer's dollar. He said this trend might be partially met by setting a surrender charge as low as possible, and lower than most companies are now willing to consider. He said unless the jurisdiction of the home state were limited to its own boundary—which is not done in the bill—a company during the period when some states had adopted the measure but others had not, would have to have two complete sets of policies, one set for issue in the states in each category. each category.

O. J. Arnold Gives Views

O. J. Arnold, noted actuary and president Northwestern National Life, viewed some hardships that would be worked by the proposed valuation plan. The net effect is to make it almost impossible to establish a new company, he said, and therefore to limit whole he said, and therefore to limit whole-some competition. It would be desir-able in fixing a basis for surrender val-ues, to go further and do something relative to a standard of solvency for life companies. Chairman Guertin in-terjected that his committee's original report contemplated such measures. Mr report contemplated such measures. Mr. Arnold asked if it were not possible to do something to eliminate the lack of logic in the present method of determining a company's liabilities on the net level premium basis. He also touched on the disadvantage in which smaller companies are placed as compared to larger ones, wherein many smaller com
(CONTINUED ON PAGE 18)

The Gift Supreme

There will be two presents on this tree and they will be the finest there. Even mother doesn't know about it yet.

These gifts will assure college educations for both the children - a promise that they will have their higher education no matter what happens to their dad.

Two new life insurance policies have been acquired especially for that purpose.

More than one father will make this arrangement a Christmas surprise in his home. How about your prospects?





Home Office, NEWARK, N. J.

EDITORIAL COMMENT

Fear Is Enemy No. 1

H. J. CUMMINGS, vice-president of made at the request of his company by the University of Minnesota among life insurance general agents and salesmen, getting first hand information as to what they considered some of their real what might be done to remedy the sitbut to those of other companies.

Mr. Cummings pointed out that the Minnesota Mutual Life, in his address factor that militates so strongly against before the Life Presidents Association successful production is fear. He said called attention to a survey that was that today agents have to steel themselves to come in contact with new propects, people with whom they have little acquaintance or none and this requires great heroism. It is very easy to talk to friends. It is very difficult problems and seeking suggestions as to constantly to interview strangers. The questionnaire brought out fear as uation. The inquiries were directed not Enemy No. 1 in the minds of those adonly to agents of Minnesota Mutual, dressed. Hence companies should try to diminish this enemy's strength.

Getting Performance Known

Holgar J. Johnson, president Insti- companies that made announcements tute of Life Insurance, in his talk before about a withdrawal of aviation riders. the American Life Convention, said that That was heralded abroad and was there are opportunities that life compa- treated as something of real news value. nies possess for getting themselves bet- In other words, what companies need ter and more favorably known to the to do is to get some of their performpublic that one often overlooks. He ance known to the public. It is a sub-referred, for example, to a few of the ject that deserves attention high up.

How to Introduce a Speaker

IN THE brevity of his introductions as chairman of the Life Presidents Association convention President Leroy A. Lincoln of the Metropolitan Life blazed a trail which should be broadened to a six-lane highway. Chairmen and toastmasters everywhere should be encouraged to learn that it is possible to be brief without being curt and that audiences think no less of a presiding officer because he omits the rhapsodic eulogies which are supposed to get the listeners into a properly receptive state of mind. Mr. Lincoln gave a few salient facts about each of the men he was introducing, all presented in an easy and informal way.

This type of introduction is vastly easier on all concerned except the occasional chairman who feels that his ego or the traditions of toastmastering require him to build up the men he is introducing to supercolossal proportions. As for the speaker who is being introduced, he fares better if just enough is told about him to enable the audience to know who he is. If he is as good worst type of false modesty, as the typical flowery introduction All this shadow-boxing paints him, he needs no advance buildup. If he is only pretty good, the audience, having been led to expect a second Daniel Webster, finds the speech an anticlimax. If the speaker is a poor one the introduction makes him appear ridiculous

Not the least benefit of Mr. Lincoln's type of introductions is that they largely eliminate the need for the speaker to reply in kind. Sometimes these retorts are well worth hearing, like the story which President H. W. Prentis, Jr., of the National Association of Manufacturers told about the old lady who, during her declining years, was a shining example of virtue to the entire community.

But usually the speaker, still blushing a little at the effusiveness of the sendoff he has just received, feels he must fumble around a little to show he is not such a brazen fellow as to take such laudation in his stride. Then, in return for all the nice things that the toastmaster or chairman has said about him, he feels in duty bound to tell his audience what fine people they are and how exceedingly proud, flattered, humble, privileged, and generally overwhelmed he is at being permitted to address them. He may be sincere but he feels he has to lay it on so thick that it sounds like the

All this shadow-boxing consumes time. Those in the audience who are interested in what the speaker has to say fidget in their chairs and try to console themselves with the thought that if he hadn't had something to say he wouldn't have been put on the program. This faith sometimes takes a

has responded in what is considered to be appropriate fashion.

Unspectacular as it necessarily must be, Mr. Lincoln's very real contribution to more enjoyable conventions is in danger of being overlooked. It should not be. By focussing his attention strictly on the job to be done and forgetting the tradition that makes a toastmaster feel that he has overcome

severe beating by the time the chairman a supposed inferiority complex obseshas delivered his eulogy and the speaker sing each speaker, Mr. Lincoln has set a new standard for presiding officers. He has proved that speakers don't get miffed if they are not elaborately described as the greatest fellows on earth. He has shown that audiences are primarily interested in what the speaker has to say and are grateful rather than the reverse to the chairman who lets them say it. Mr. Lincoln's discoveries should be remembered and acted upon.

PERSONAL SIDE OF THE BUSINESS

H. W. Foskett, assistant vice-president of the Equitable Life of Iowa, has been elected a director of the Des Moines chamber of commerce.

P. A. Hoche, Bloomington, Ill., general agent Kansas City Life, has gone on a two weeks' cruise to Central America with stopovers in Guatemala and Honduras.

H. W. Laffer, Northwestern Mutual general agent, headed the Wichita chamber of commerce Christmas party committee which entertained nearly 900
Thursday night. H. L. Leavell, John
Hancock Mutual general agent, headed
the chamber's committee for a "newcomers' party," aimed to honor the hundreds of newcomers to the city during the past year.

On Dec. 10, 1915, five men gathered at dinner to help W. H. Silliman, Mutual Life of New York, Seattle, celebrate his 50th birthday. F. H. Baxter, promised Mr. Silliman a banquet 25 years from that date. That promise was carried out and Mr. Sillinan was given the banquet on his 75th irthday. Fifteen Seattle business and professional men were at the dinner, arranged by Mr. Baxter. Mr. Silliman is still with Mutual Life.

E. T. Proctor, Nashville general agent Northwestern Mutual Life, and Mrs. Proctor announced the marriage of their daughter, Dorothy Ann, to R. D. Walker, Jr., in that city Dec. 21.

N. H. Seifer, manager Roseville, N. J., district Metropolitan Life, has completed 20 years service with the company. A dinner and dance was held at which Mr. Seifer was inducted into the veterans' association. William Perlutter manager Rayonne district was mutter, manager Bayonne district, was toastmaster, and presentation of the veterans' emblem and service medal was made by P. J. Torsney, manager Bloomfield district, and president of the Veterans Association, Chapter 8. Agency Supervisors E. F. Boylan and Agency W. Mc McIlvain were among those attendance.

H. J. Cummings, president National H. J. Cummings, president National Federation of Sales Executives and vice-president Minnesota Mutual Life, is the principal speaker, and A. R. Hustad, manager White & Odell agency Northwestern National Life, Minneapolis, is the master of ceremonies at the Minneapolis salesmen's dinner. ons, is the master of ceremonies at the 1940 Minneapolis salesmen's dinner, sponsored by the wholesalers' section Minneapolis Civic & Commerce Association, to be held at the Nicollet hotel, Dec. 27.

Louie E. Throgmorton, assistant gen-

eral agent of Aetna Life, has been elected president of the Kiwanis Club of Shreveport, La.

of Shreveport, La.

M. L. Reilly, manager Metropolitan
Life, Waterville, Me., was the honor
guest at a dinner when his staff there
observed the 20th anniversary of Mr.
Reilly's service in Metropolitan ranks.
Mr. Reilly has served as manager in
Augusta, Portland and Waterville in
Maine, and also in Central Falls, R. I.

R. W. Heithoff, superintendent of the 16th New York district Prudential, celebrated his 25th anniversary with the company with a dinner party at which 82 guests attended. By virtue of his long service, he becomes eligible to membership in the Prudential Old long service membership membership in the Prudential Old Guard, an association of company vet-erans. Among those from the home office were L. H. Schmidt, assistant secretary; Clarence Barton, supervisor and G. W. Robbins, Jr. Mr. Schmidt presented the badge and certificate emblematic of the company veterans' association.

A testimonial dinner was given G. H. Means, manager O'Fallon Park district Means, manager O'Fallon Park district Metropolitan Life, St. Louis, in recogni-tion of his 20 years of service. He is a director of the Life Underwriters Asso-ciation of St. Louis. He started with the Metropolitan in Fall River, Mass. For several years he was at the home office in charge of training of new agents in charge of training of new agents.

J. G. Driscoll, vice-president General American Life, was elected president of the Mortgage Bankers Association of St. Louis at its annual meeting.

The 1940 business of Ernest L. Buchanan, leading producer for the State Life of Indiana at Vallejo, Cal., connected with the San Francisco office, amounted to 902 applications for \$1,233,578. Since Mr. Buchanan entered life insurance in May, 1935, he has produced at the rate of more than an application a day. His 1940 record was at the rate of more than two applications a day. He has had two previous million dollar years.

Elbert H. Brock, retiring vice-president John Hancock Mutual Life, was guest of honor at a luncheon in Columbus, O., given by agency forces in Ohio, Indiana and Kentucky.

Mr. Brock also was honor guest at a luncheon in Minneapolis in connection with the achievement campaign of the industrial division.

H. J. Shaffer, assistant superintendent of agencies Union Central Life, is be-reaved by the death of his father, Ralph W. Shaffer, at Akron, O. Mr. Shaffer had been in ill health for some time.

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H. J. Shaffer, who was scheduled to address the Associated Life General Agents & Managers of Cincinnati Dec. 12, postponed his talk to Dec. 19.

Howard D. Shaw, Continental Amer-Howard D. Shaw, Continental American advertising man who likes to be called a nut on the subject of writing letters to get results, lectured recently at three evening sessions of an advertising course at Johns Hopkins University. Every winter he pinch hits for a friend who teaches an evening course in advertising, and "goes to town" on the subject of direct mail. His professional bent comes in handy when he sional bent comes in handy when he lays out mailing campaigns for Conti-nental American agencies or tells agents how to write letters that open the door

DEATHS

Texas Life Insurance Commissioner Is Dead

Walter C. Woodward, life commissioner and chairman of the board of insurance commissioners of Texas, died Tuesday in a hospital at Coleman, Tex., after a long illness. He had long been



WALTER C. WOODWARD

prominent in Texas political circles and prominent in Texas political circles and was vice-chairman of the Texas delegation at the Democratic national convention in 1932. He served for 10 years in the Texas state senate, was past president of the Texas Bar Association and served in the house of delegates of the American Bar Association. His term would have expired Feb. 10, 1945. He was named last year for a six-year term by Governor O'Daniel, who also will name his successor.

The funeral was held Wednesday afternoon in Coleman.

ernoon in Coleman.

o. Dana Richardson, 69, associate general agent Byron Howes agency Berkshire Life, Chicago, died in the Presbyterian Hospital after several months' illness. He had been connected with Berkshire Life for a great number of years, having celebrated his 50th anniversary on Sept. 21. He was known as the dean of the field staff of associates of the company. He started in the Chicago office of Berkshire Life in the agency of W. D. Wyman, who was later to become president of the company as well as president of the National Association of Life Underwriters. After Mr. Wyman left to go to the home office position, the agency was taken over by his brother, Franklin, and R. F. Palmer, who were later succeeded by L. A. Triggs. Mr. Howes became general agent in 1932.

Mr. Richardson was born in Iowa Falls, Ia., and went to Elgin, Ill., when a young boy. He lived there at the time of his death. Funeral services were held Saturday afternoon at the Norris Chapel in that city. L. B. Hendershot, manager of agencies Berkshire Life, represented the company at the funeral services. The

Provident Mutual Agency Department Head Dies



FRANKLIN C. MORSS

Franklin C. Morss, manager of agencies of Provident Mutual Life since 1923, died at his home from angina pectoris. He had been taken ill several days previously with what seemed to be an attack of bronchitis.

Mr. Morss was born in Philadelphia in 1874. He was a member of Dr. S. S. Huebner's first insurance course at the University of Pennsylvania.

He joined Provident in 1904 as a special agent, and became assistant to

special agent, and became assistant to the manager of agencies in 1913. Withthe manager of agencies in 1913. Within three years he had been given charge of the sales development in the Philadelphia area as superintendent of the Philadelphia agency. His work in this field was so successful that he was again called to the home office in 1921 as assistant manager of agencies and became sistant manager of agencies, and became manager of agencies in 1923.

Had Many Friends in the Business

Mr. Morss was highly belowed by the field and home office. He had a warm, kindly personality and an instinctive aptitude for making friends. Many stories are told of the way in which he used his store of tact and ingenuity to smooth out difficult situations. He was sought as an after dinner speaker because of his supply of amusing anecdotes.

dotes.

Rev. J. C. Heater of Columbia, Pa., conducted the funeral services, assisted by Rev. R. E. Pettingill, Pastor of the Fifth Baptist Church of Philadelphia. Honorary pallbearers included L. C. Ashton, W. C. Chubb, W. D. Cross, A. J. Davis, M. A. Linton, Paul Loder, I. P. Miller, W. P. Miller, Jr., F. W. Moock, Sr., Louis F. Paret, F. Phelps Todd and Willard K. Wise.

Howes agency was closed for the dav. Mr. Richardson's wife, Anna J., died Oct. 4 of this year. He is survived by two daughters, Mrs. F. C. Bennett, whose husband is an agent in the Chicago office, and Mrs. D. W. Stahr of Floin

Elgin.

Horace A. Palmer, 67, former New England superintendent of the Metropolitan Life, who retired four years ago, died at his home in Walpole, N. H. He was a native of England, attended the British naval academy and came to America at the age of 17. He was with the Metropolitan Life 25 years as manager in Vermont, Fall River, Mass., and other cities before being appointed New England superining appointed New England superintendent.

Some men have good aims but forget to shoot.

Tomorrow is a promissory note; yesterday a cancelled check. Act today.

BIG REASONS WHY U. C. AGENTS ENJOY A REPUTATION FOR REALLY EFFICIENT SERVICE!



Through a Home Office supervised course, Union Central agents are trained in the technicalities of life insurance.



Agents are regularly brought together in Company conventions for instruction.



Talking slide films carry up-tothe-minute messages of instruction to agents throughout the country.



Latest developments in life insurance service are thoroughly covered each week in the Company's news magazine.



U. C. managers, trained by years of practical experience, give valuable training to agents under their direction.



U. C. pays fees and buys books for its agents who wish to secure the C. L. U. degree from The American College of Life Underwriters.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Cincinnati, Ohio

LIFE AGENCY CHANGES

National Life Names New Boston General Agent

T. T. Pond, who has been a general agent Home Life of New York since 1934, has been appointed to that position by National Life of Vermont in Boston. This office is National Life's oldest general agency, established in 1850, the year that the company began business. The vacancy was created last



T. T. POND

June when C. W. Gammons and J. H. June when C. W. Gammons and J. H. Edwards, doing business under the firm name of James T. Phelps & Co., relinquished their contracts with National Life because they desired to retire from the responsibilities of the general agency. They will remain with the office, however. At the time of that change, the agency had become probably the oldest life insurance agency in the United States in continuous operation under the same name. under the same name

Fourth Generation in Insurance

Mr. Pond represents the fourth generation of his family in the insurance business in Boston, his father, W. R. Pond, having been manager of the underwriting division of John Hancock Mutual; his uncle, T. F. Temple, vice-president John Hancock, retiring this year; his grandfather, T. F. Temple, director John Hancock and president Dorchester Mutual Fire, and his great-grandfather. W. F. Temple, one of the founders and secretary Dorchester Mutual Fire in 1855. Mr. Pond represents the fourth gener-

Mr. Pond's career in life insurance began in 1924 with the Paul Clark agency John Hancock Mutual Life, with which he continued until 1928. He then became manager life department Gil-mour, Rothery & Co., agency for the next two years. He left that connection to go with the Blackmur agency Massa-chusetts Mutual and remained there until becoming general agent Home Life

until becoming general agent Home Life of New York.

Mr. Pond was born in Boston in 1899 and graduated from Harvard in 1921. The new connection with National Life will not change his business address, for he has long been situated at 50 Congress street, which is the same address as the Boston agency of the company.

N. Y. Life Men Transferred

R. V. Laing, agency director of the New York Life with headquarters in Boise, Ida., has been transferred to the Tacoma branch in the same capacity. He has been in Boise two years. His successor will be W. H. Pierre, agency organizer from Seattle.

Moore, Case Agency Named in Chicago

Moore, Case, Lyman & Hubbard, a great general insurance agency of Chicago, which has been operating for about cago, which has been operating for about 82 years, this week was appointed general agent there by John Hancock Mutual Life. This is the first time in its history that John Hancock has designated a general insurance agency as general agent.

The agency, which has done a life business throughout its entire existence.

business throughout its entire existence and for the last 25 years has had a well organized life department, which developed business, however, mainly through brokers, plans to build up a full time life agency staff and provide a professional life insurance service. This will feature an estate planning division, the writing of life insurance to cover estate and inheritance taxes, as well as an ordinary life business. Special emphasis will be placed on pensions, pension trusts and group, salary deduction and wholesale life insurance. The agency will continue to develop business through brokerage sources and will have a full fledged brokerage department.

Sold Life Insurance for 75 Years business throughout its entire existence

Sold Life Insurance for 75 Years

Moore, Case, Lyman & Hubbard was one of the first general insurance agencies in Chicago to open a life department to round out its service. However, the Chicago city directory of 1865 showed that the original firm of Moore & Stearns, then located at 49 South La Salle street, handled life insurance on a general agency basis. S. M. Moore, founder of the agency, was a member of this firm.

of this firm.

In the late 1920's, Moore, Case, Lyman & Hubbard reached a peak life production annually of \$4,500,000 to \$5,000,000. Since then it has been doing about

\$1,500,000 of life business each year.
R. B. Kegley, manager accident and health department, who at one time was life department manager and recently has been supervising that department, will continue.

John Hancock has two other ordinary general agencies in Chicago, those of W. M. Houze and J. H. and S. M. Strong.

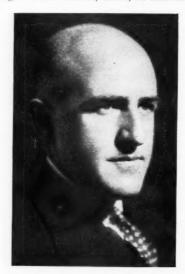
McCollum's Field Extended

V. E. McCullom has been made general agent for central and part of southern Minnesota by the Massachusetts Protective. He started with the company

in 1926; served as general agent in Missouri for five years and the past few years has been general agent in Min-neapolis. Minneapolis has been made a branch claims office for neighboring states with N. H. Brainerd, formerly of Chicago, in charge.

Sun Life Manager at Boston Office

Earle D. Owen has been appointed manager Boston branch Sun Life of Canada, following a number of changes in the United States agency organiza-tion of that company. Formerly manin the United States agency organiza-tion of that company. Formerly man-ager at New Haven, Conn., he succeeds



EARL D. OWEN

D. A. Cameron, who is retiring from active service after more than 25 years with Sun Life. C. N. Gray, Wilmington, Del., manager, replaces Mr. Owen as manager at New Haven.

as manager at New Haven.

Mr. Owen has been with Sun Life since 1925. Formerly connected with the Bureau of Internal Revenue in Washington and later with a firm of attorneys there, he familiarized himself with many of the legal aspects of the insurance business, eventually deciding to devote himself exclusively to the solicitation of life insurance. Less than two years following his first association with Sun Life, he was advanced to branch manager at Portland with supervision over Maine, New Hampshire and Vermont. In 1932 he moved to New Haven to take over managerial duties.

While there he aided in forming the New Haven Life Managers & General

New Haven Life Managers & General Agents Association, serving as its first secretary and subsequently as president. Mr. Gray has been with Sun Life since 1924 when he joined the company as a group representative in Montreal. In 1926 he was made assistant supervisor, head office group department, only to be transferred less than four months later to Chicago as assistant manager of the group office, an appointmonths later to Chicago as assistant manager of the group office, an appointment which proved to be the forerunner of a number of similar moves to various branches in the eastern United States. In 1928 Mr. Gray served as agency assistant at Newark; subsequently he became branch manager at Providence, Cincinnati, Wilmington, and his latest appointment, New Haven. While in Wilmington, Mr. Gray was secretary-treasurer of the Delaware Managers & General Agents Association.

Managers & General Agents Association.

Mr. Cameron joined Sun Life in 1915 as a representative in Halifax, N. S. In 1921 he became manager at Halifax, being transferred to Boston in a similar capacity in 1926. On his 25th anniversary in the service of Sun Life, celebrated in October, A. B. Wood, president and managing director, and other senior officers visited Boston to preside at a formal dinner at which Mr. Cameron was guest of honor.

Strupper Georgia General **Agent Volunteer State Life**

Everett Strupper, for 14 years with Massachusetts Mutual Life at Atlanta, has been appointed general agent Volunteer State Life for Georgia. He succeeds L. T. Bates, who resigned to enter the home office agency department Acacia Mutual Life. Mr. Strupper is one of the outstanding life insurance men of the southeast and is recognized as an expert in the field of corporation and inheritance tax insurance.

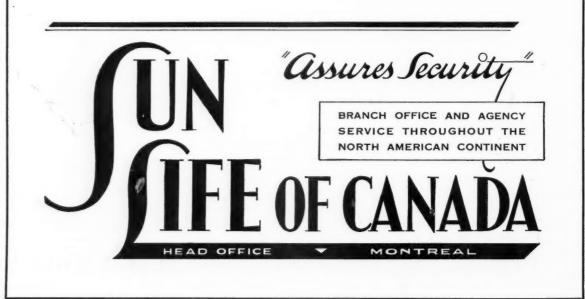
He graduated from Georgia Tech, and during his four years at college was one of the few four-letter men. In footall he was All-Southern for four years and All-American for two years.

and All-American for two years.

Mr. Strupper was honored with a surprise breakfast by the Atlanta personnel of Volunteer State Life.

Schusler with Bankers of Neb.

Bankers Life of Nebraska has appointed Carl H. Schusler general agent in Pittsburgh. He has been in the insurance business 18 years. He was at first engaged in casualty and fire insurance. Then he entered life insurance, in which he has attained success. He has been representing General American



Conn. General Opens Branch at Fort Wayne



B. H. EVERSMEYER

Connecticut General Life has estab-lished a branch office in Fort Wayne, Ind., and has appointed Bernard H. Eversmeyer as manager.

Eversmeyer as manager.

Mr. Eversmeyer was graduated from the University of Iowa in 1932 and from law school in 1935. He was a practicing attorney for a short period before entering the life insurance business. His insurance experience has been in selling and management work. For this past year he has been an assistant manager of Connecticut General in Indianapolis.

Life and Reliance Life. He is experienced in estate work. His offices will be in the company's branch at 508 Park

Cameron K. C. Manager of Occidental Life of Cal.

E. H. Cameron, prominent producer of Equitable Society in Kansas City, has been appointed branch manager there by Occidental Life of California. Mr. Cameron last year was a member of the Equitable Society's Group Millionaires' Club

He took over his new position Dec. 15 after 11 years' service with the Equitable Society, during which time he eveloped his own technique in selling his specialty, business insurance and insurance for men in the upper age-brackets. He will now necessarily curtail his personal production efforts to turn his attention to recruiting and agency management.

A native of Leavenworth, Kan., he attended St. Louis University. He returned to Leavenworth as secretary to the mayor, then was in the automobile business and travelled for an ink supply

Hanson Made Chapman Partner

D. E. Hanson, assistant general agent G. B. Chapman agency Aetna Life, Cleveland, has been taken into partnership by Mr. Chapman. The agency will be known as G. B. Chapman & Co. With Aetna Life since 1926, Mr. Hanson served as group representative in New York City and Cleveland, before becoming calesman and assistant gen-

becoming salesman and assistant general agent. He is a graduate of the University of Wisconsin.

Mr. Chapman, who has been with the Aetna Life for 36 years, has been general agent Cleveland territory since 1912. Offices under the new partnership will be continued in the Leader building.

The Imperial Life of Canada has appointed W. L. Nesbitt manager of its

northwestern Ontario branch with headquarters at Port Arthur, succeeding R. J. Halls, who has resigned to go into military service.

Metropolitan Life Names Three New Managers

Earl P. Rubini has been appointed manager of the Metropolitan Life's Riverhead, L. I., district to succeed the late R. L. Wagner. Mr. Rubini, who has been with the Metropolitan nearly 15 years, formerly was an agency sales supervisor at the home office
C. A. Brumbaugh, formerly manager at Beaver Falls, Pa., and Arthur B. Rock, head of the East Liberty office account, one of the 10 Metropolitan district offices in Pittsburgh, exchange posts. Mr. Brumbaugh joined the Metropolitan in 1916 as an agent in Johnstown, Pa. He was formerly manager of Hill Top district in Pittsburgh. Mr. of Hill Top district in Pittsburgh. Mr. Rock joined the Metropolitan in 1923 as an agent in Baltimore. He was formerly general assistant manager for the Atlantic coast and great eastern terri-tories, and an agency supervisor in the latter territory.

John Hancock Makes Shifts

T. S. Silva, for the past several years district manager for the John Hancock at Lowell, Mass., is now taking charge of the Bridgeport, Conn., office in place of James Maloney, who is retiring. J. J. Lynch, manager at Pittsfield, Mass., becomes manager at Lowell. Angus J. MacIsaac, now manager at Utica, N. Y. where E. H. Warren is retiring. Edward O'Malley, formerly assistant manager at Hartford is now manager at ager at Hartford is now manager at Lewiston, Me.

J. Reuben Darr, Bankers Life of Iowa, Harrisburg, Pa., will begin a year's service with the 103rd regiment of the national guard Jan. 1.

Scranton Agency Expands; Moved to Harrisburg



WILLIAM B. WAGNER

The William B. Wagner general agency of the New England Mutual, which was established in Scranton, Pa. in 1937, has been expanded to include a much larger territory with agency headquarters more centrally located in the Payne-Shoemaker Harrisburg. building

After experience with the air service in the first world war, Mr. Wagner completed his education at the business school of the University of Pennsylvania in 1921. He had ten years' successful business experience before en-

TheWALRUS

Thousands of people in the life insurance business know Gerard S. Nollen, President of the Bankers Life Company. But how many know that his middle name is Scholte? Or how he got that name?

Louis Adamic tells how in his current best seller, "From Many Lands.

It is the fascinating story of the founding of Pella, Iowa, thriving community of Hollanders some 50 miles southeast of Iowa's capitol and Bankers Life Home Office City, Des Moines.

To a large tract of rich, virgin, prairie land, Dominie Hendrick Peter Scholte led a band of 600 hardy men, women, and children from his native Holland in 1847. Virtually driven from their homeland by persecution for their belief in separation of church and state, these "Separatists" sought - and found-both religious and economic freedom in the new country.

Dominie Scholte, prime mover throughout the venture, held his group together in those early days in both good times and bad. He became a man of consequence in Iowa politics, helped nominate and became a personal friend of Abraham Lincoln. Adamic cites his friendship as of such depth that Scholte learning of the assassination of Lincoln, suffered a heart attack from which he never recovered and which caused his death a few years later.

Hendrick Peter Scholte's daughter, Sarah, married John Nollen, Pella banker.

Each of the five Nollen childrenthree sons, two daughters-are linked both by blood and by middle name to their maternal grandfather, the Dominie. Gerard Scholte Nollen is President of the Bankers Life Company, Henry Scholte Nollen is Chairman of the Board of the Equitable Life Des Moines, and John Scholte Nollen is President Emeritus of Grinnell College in Iowa. Hannah Scholte Nollen and Sarah Scholte Nollen have devoted their lives to educational work in Des Moines.

STILL GOING STRONG

Writing to the field on the recent twentyfifth anniversary of Fidelity's Book Lead Service, President Talbot said: "A proven success for 25 years, the Service is still going strong.

"In total, Fidelity agents have written over \$250,000,000 of life insurance as the direct result of this service—results actually traced to cards in file. The collateral results that radiated from these contacts would vastly increase the total.

"In continuity of performance, we know of nothing in all the field of direct mail comparable with this record. We rejoice in the success it has brought to so many of our people."

The FIDELITY MUTUAL LIFE INSURANCE COMPANY PHILADELPHIA WALTER LEMAR TALBOT, President

BANKERS LIFE DES MOINES COMPANY
Established 1879 tering life insurance in 1932. He was appointed New England Mutual general agent in Scranton in 1937. He has taken an active part in civic and asso-

taken an active part in civic and association work.

A. A. Wert, for many years with the Philadelphia agency as district manager for Dauphin and Cumberland counties, will take over field development work under the new Harrisburg general agency. He will also continue his activities as a personal producer.

The Scranton office will be maintained in the Scranton-Lackawanna Trust building. Field men in Chambersburg, Williamsport and Wilkes-Barrelso will be associated with the new

burg, Williamsport and walks also will be associated with the new Harrisburg agency.

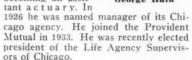
Life Men Among "Best Salesmen"

Among the 26 men feted by the Sales Among the 26 men feted by the Sales Managers Club of the chamber of commerce, Memphis, Tenn., at a banquet there as the best salesmen in that area in 1940 were: Waddy West, Penn Mutual Life; L. E. Old, Jr., Prudential; Fred S. Saliba, Reliance Life, and Oscar Hurt, State Mutual Life.

George Huth to Head Own in filing the receivership proceedings Van Patten Central Life's against the Central States Life. General Agency in Chicago

located at 10 th LaSalle 10 South street.

Mr. Huth entered life insurance in Chicago with the Chicago with the Life in its actuarial department, later becoming an assis-





George Huth

W. R. Pond to Retire from John Hancock Post March 1

William R. Pond, manager of the underwriting department of John Hancock Mutual Life, announced in Chicago the other evening that he will retire March from active service with his company, He is a veteran of John Hancock and a man that is highly regarded in his own organization and by underwriting exorganization and by underwriting executives of other companies. He made the announcement while presiding as toastmaster at the birthday dinner for William M. Houze, Chicago general agent of John Hancock.

Ask Receiver for Mo. Company

Petition for appointment of a receiver for American Union Life of St. Joseph, Mo., has been brought in circuit court there in behalf of five policyholders. The bill alleges that insurance in force has fallen from \$14,000,000 in 1933 to \$5,-500,000 at present and that the company cannot liquidate certain real estate that it has acquired by foreclosure, except at

a loss.

American Union Life was organized in 1913 under the name of St. Joseph Life. The present title was adopted in 1930. The president is Richard L. Douglas. As at Dec. 31, 1939, assets were listed at \$2,532,265, net reserves \$1,613,078, capital \$100,000, net surplus \$106,584, insurance in force \$5,142,268, total income \$240,609 and total disburse-ments \$281,440. The case is scheduled to come up in the January term of

Manhattan Life Promotions

Manhattan Life has appointed Vincent W. Edmondson as assistant to the president. Daniel P. Cahill of the agency

Continental American Has **New Sales Training Head**

Warren F. Howe has been appointed director of sales training by Continental American Life, ef-fective Jan. 1. He

is a pioneer in life insurance sales training and his insurance training and entire life insur-ance experience has been with Phoenix Mutual Life. Mr. Howe entered the business as an agent in 1926 after a varied business experibusiness experience, including service in Greece service in Greece and India. He was



as successful producer from the first, paying for well over \$300,000 annually in each of his first two complete years.

Charles F. Diehl, chairm Mr. Howe was promoted to supervisor in 1929 and in 1930 was taken into the home office where he soon was pro-moted to manager of the sales training division.

He held this post until 1935. Subsequently, he reentered the field as a su-pervisor and later was promoted to branch manager of Phoenix Mutual at

branch manager of Phoenix Mutual at Albany, the position he resigned to join Continental American.

President A. A. Rydgren in announcing the appointment stated that a number of life companies have achieved outstanding results in increasing production and earnings of both new and old agents by means of a comparatively new type of sales training. The plan which Mr. Howe will install, according to President Rydgren, is calculated to increase the selling ability of the average salesman and to teach the development and use of sound, practical sales techand use of sound, practical sales tech-niques designed especially for Conti-nental American policies and equipniques nental

Assistant Agency Director

Charles E. Van Patten has been appointed assistant agency director of the Central Life of Illi-nois. In his new position he will be



stimulating and en-ergizing the agents ergizing the agents throughout the Central Life's territory. Recently he has been both an agent and general agent of the Lincoln Liberty Life, and at one time was vice-president of the Union Na-tional Life and the Corn Belt Life,

Corn Belt Life, both of Lincoln, Neb.
For the Lincoln Liberty, Mr Van Patten operated almost entirely in rural territory. For the past three years he has been working as a special agent for the Lincoln Liberty, closing business for agents who were discouraged and almost ready to leave the business. Even under such unfavorable conditions, Mr. Van Patten has been producing nearly \$1. Patten has been producing nearly \$1,-000,000 of business for the past three years. During three weeks of this year he was successful in closing 150 prospects out of a total of 160 in one salary

In December of last year he produced \$148,000 of business with two agents, neither of whom operated in a town of over 25,000.

department has been advanced to superintendent of field service.

New Assistant General Counsel

The Shenandoah Life has appointed Robert S. Leftwich, Roanoke attorney, assistant general counsel.

INDUSTRIAL

John Hancock, AFL Men Confer on East St. Louis

One of a series of conferences between officials of the John Hancock Mutual Life and the A. F. of L. local over the East St. Louis situation was held in Chicago a few days ago. B. K. Elliott, vice-president and general counsel John Hancock, attended. No decisions were reached. Other meetings will be held in an effort to iron out differences. An election was held by the industrial agents of the East St. Louis district office of the John Hancock some time ago, resulting in 20 votes for the union and 17 akainst it. and 17 against it.

Charles F. Diehl, chairman of Sun Life of Baltimore, has completed 50 years with that company. He started with Sun Life six months after the company, then known as Immediate Benefit Society, opened its doors. He started as an office boy and general clerk and has held the office of secretary vice president and finally chairman. For nearly 40 years he was head of the agency department. This week the agency force is producing in Mr. Diehl's

Official Figures from Wash.

The final figures are now available in the race for insurance commissioner in the state of Washington in the general election Nov. 5. William A. Sullivan, election Nov. 5. William A. Sullivan, Democratic candidate for reelection, re-ceived 421,314 votes and Fred C. Becker, Republican, received 283,340. Only President Roosevelt and two other state officers had a greater majority than Mr.

NEWS OF THE COMPANIES

Messenger Made **Agency Director**

The John Hancock Mutual Life has appointed James W. Messenger director of agencies and Olen E. Anderson superintendent of agents.

Mr. Messenger will celebrate his 40th anniversary of service with the John Hancock next year. He started as an agent in Boston and within two years agent in Boston and within two years was made an assistant manager. The following year he became a home office inspector and in February, 1917, was made supervisor of agencies. In 1920 he became assistant superintendent of agencies and for the last three years has held the fittle of superintendent of held the title of superintendent of

Mr. Anderson began his John Hancock service in 1921 as an agent at Philadelphia 4. Three years later he became assistant district manager at became assistant district manager at Philadelphia 1 and in 1928 was ap-pointed field supervisor. In 1933 he was made supervisor of agencies and in 1936 he became regional district manager of the Greater New York territory. Since 1937 he has been district manager at New York 1.

The **Life of Virginia** has declared a year-end dividend of \$1.25 per share.

The **Credit Life** has been licensed in Virginia. Principal office will be in Portsmouth in charge of R. H. Renn.

German Pays Premium on Last Day Despite Hitler

RICHMOND-Despite many obstacles, Ernest Kohlschuetter who lives on Adolf Hitler street in Hamburg, Germany, succeeded in getting through to Richmond, a premium payment on a Northwestern Mutual Life policy the very last day of grace. The \$1,000 policy was taken out in 1904 while he was a resident of Lynchburg. He recently wrote to W. T. Nolley, Richmond general agent, that he was experiencing difficulty getting the remittance through and voiced hope that the company would be patient. Be-cause of the restrictions under the cause of the restrictions under the Hitler regime against sending money out of Germany, he finally conceived the idea of sending his payment through a credit association in Switzerland which relayed it to this country. The policy is an old renewable term contract.

Central States to Be Rehabilitated

ST. LOUIS — Rehabilitation of the Central States Life was ordered by Circuit Judge Ward on a petition presented by Superintendent Lucas, who has been in charge of the company's affairs.

Judge Ward issued the order for rehabilitation after Superintendent Lucas testified he deemed it for the best interest of the company for the plan he proposed to be put into effect until the final details of the permanent plans for the future are perfected and ready for the future are perfected and ready for

the future are perfected and ready for presentation to the court for approval.

Under the rehabilitation plan, Superintendent Lucas is authorized to pay all death claims in full and to pay 40 percent of all other claims, of any nature whatsoever that were effective as of Nov. 26. He is also authorized to maintain and operate various agency offices and to make necessary arrangements with the agents of the Central States Life for the conservation of the existing Life for the conservation of the existing business, approximately \$65,000,000. In addition authority is given to sell and convey on behalf of the company any of its assets, such as real estate holdings, if the opportunity for an advantageous sale presents itself.

Loans up to 40 percent of the cash or

loan value in their policies may be made to policyholders for the purpose of pay-ing future premiums.

Superintendent Lucas is authorized to continue in force all master group life policies, but is prohibited from issuing any new policies.

Judge Lucas said that by February or March he will receive several reinsurance bids from other life companies which have had representatives here looking into the situation.

Mutualization is still under consideration, but a formal plan has not yet been presented for official consideration.

A petition to intervene in the receivership suit has been filed by J. C. Jones and L. O. Hocker, local attorneys, as the holders of an agency contract originally made with the American National Assurance which was merged with the Central States Life in 1933. The petitaken under advisement by

Judge Ward.

F. X. Jones, a Central States Life director, filed a \$115,000 damage suit against Alfred Fairbank, former president, and Fred Strudell, former executive vice-president, alleging a conspiracy to throw the company into receivership. Mr. Jones, son of J. C. Jones, holds 15,-000 shares of stock and two \$10,000 poli-

Superintendent Lucas stated that he

XUM

AS SEEN FROM CHICAGO

BRENNAN AGENCY HOLDS DRIVE

BRENNAN AGENCY HOLDS DRIVE

The James H. Brennan agency Fidelity Mutual Life, Chicago, celebrated a "Friday, the 13th Drive" on Dec. 13. The agents met for a breakfast at 8 a. m., and during the day completed 13 calls. In the evening, as guests of Mr. Brennan, they attended the Chicago Life Underwriters Association's Christmas party at the LaSalle Hotel.

On Dec. 24, the entire agency force will meet in the office for a Christmas social. A tree and grab bag will be the features. This party is given by the entire agency force.

BUCKLEY GOES WITH THURMAN

L. Mortimer Buckley of Chicago, one f the Provident Mutual's leading gents, this week

agents, this week joined the general agency of E. B. Thurman, New England Mutual Life, Chicago, in a supervisory capacity. He re-signed the Provi-dent Mutual connection after nection after 8 years and in all has had 11 years life insurance experience. For the last four years he led the Provident Mutual's agents



led the Provident L. M. Buckley Mutual's agents in Chicago and was among the first five leading agents of that company countrywide. He produced well over \$500,000 annually. Mr. Buckley is immediate past president Chicago Association of Life Underwriters. He received his C. L. U. designation in 1933. His duties will include recruiting and training agents and also doing ing and training agents and also doing production work.

JAMES EMPLOYES PLAN PARTY

The Fred S. James & Co. employes' association will hold its annual meeting and dinner dance Jan. 21 in Chicago. Results of balloting on new officers will be announced by Willis S. Sheldon, president. Miss Leone Beem is chairman of the nominating committee and man of the nominating committee, and Herbert Nottelmann is chairman of the dinner dance committee.

CLAIM ASSOCIATION HAS PARTY

The Chicago Claim Association held The Chicago Claim Association held its December meeting at the Sportsman's Club in the form of a Christmas party Wednesday. T. J. O'Neil, superintendent claim department Pacific Mutual Life, who is president, was in charge of arrangements. Dinner was served, followed by games, contests, etc., with prizes and a grab bag.

PLATKA HONORED ON 40TH

The Metropolitan Life tendered a dinner to Frank J. Platka, Chicago manager, in commemoration of 40 years of service. He started in 1900 as an agent on the south side. In 1909 he was named manager. He has had charge of several offices and is now manager of the Lawndale district. Among the 150 guests were Judge D. P. Trude, and Samuel D. Risley, assistant superintendent of agencies Metropolitan Life.

VERMILLION AGENCY PARTY

The Vermillion agency of Mutual Life of New York in Chicago will hold its annual Christmas party in the office next Tuesday. This will be under the auspices of the Vermillion Agency Field Club. Manager Gifford T. Vermillion will take an active part. There will be a grab bag. The agency has started its drive for available for agents to atdrive for qualification of agents to attend the National Field Club meeting to be held at Colorado Springs next June.

PREPARE FOR JOINT CONGRESS

Homer Buckley of Buckley, Dement & Co., Chicago direct mail advertising concern, and Paul Speicher, R. & R.

Service, Indianapolis, will be two of the speakers at the all-day joint sales congress to be held in the Blackstone Hogress to be held in the Blackstone Hotel, Chicago, Jan. 10, by the Vermillion, Hastie and Heifetz agencies there of Mutual Life of New York. Mr. Buckley will talk on "Organizing Yourself for 1941." The program this year will feature addresses by men outside the business, save for three supervisors of the three agencies. Heretofore, the agents contributed most to the program. There will be a banquet in the evening, with Gifford T. Vermillion, J. R. Hastie and Samuel Heifetz, presiding as cochairmen.

SWANSON'S "VICTORY" DINNER

The H. G. Swanson general agency of New England Mutual Life in Chicago, was treated to a "victory" dinner this week by the company for having led the country in a special November campaign both in paid business volume and percentage of quota. E. B. Thurman, another Chicago general agent of New England Mutual and president of that company's General Agents Association, was a special guest.

MRS. SKILLIN LEADS COUNTRY

Mrs. Eleanor Young Skillin of the James M. Royer agency, Chicago, led the Penn Mutual Life in paid life volume for November, thereby becoming na-tional president of the Leaders Club.

CASHIERS GROUP HAS PARTY

The cashiers' division of the Chicago Association of Life Underwriters held its annual Christmas party Thursday night, with a dinner, grab bag and games. Anne Donohue of Stumes & Loeb, general agents Penn Mutual, was in charge of the program, Agnes E. Anderson, Provident Mutual, chairman of the reception committee. of the reception committee.

RECORDS

Midland Mutual Life—The net gain of insurance in force was greater the first 10 months of 1940 than for the entire year of 1939. Paid for business for the first 11 months of this year showed a 14.1 percent increase over the same period of 1939, and the 11 months' mortality figure stood at 37.12 percent of the expected. Outstanding among those agencies showing large gains are Tice & Jeffers, Columbus; J. Ray Camp-

bell, Parkersburg, W. Va.; J. R. Mayfield, Indianapolis; C. E. Schaad, Marion, O.; C. W. Stillson, Youngstown, and J. E. Lark, Sunbury, Pa.

and J. E. Lark, Sunbury, Pa.

State Mutual Life—A survey covering the past 11 months, in which 10 show paid business gains, lists 60 percent of all general agents as having already exceeded their 1939 production. Paid business gains range up to 267 percent in individual agencies for the 11-month period, and in order of their gains, the first 10 of these agencies are: Portland, Me., Seattle, Concord, Richmond, Providence, Harrisburg, Albany, Cleveland, Toledo and Greensboro. The

company also announces that to date 38 of its first 50 individual agents have exceeded their paid volume for the 12 months of 1939, and that in setting this months of 1939, and that in setting this record 10 of these leaders outdistanced their largest previous annual volumes. Thirty-one of the 50 leaders to date had finished 1939 in the same top classification, and it was stated that the 11 month production of the leaders exceeds by 5.71 percent the total for the first 50 producers last year, and by 19.75 percent the 11 months total for the same group. group.

ing the birth month of President W. T.

RELIANCE BULLETIN



Published by RELIANCE LIFE INSURANCE COMPANY OF PITTSBURGH

~FLASH~

Reliance Life's Seaboard Dept., with headquarters in Baltimore, won the Caritas Cup in competition with 28 other field departments in the October-November production contest. The incentive of this contest produced \$10,501,057 of new paid business.

TEASH-W

In the first eleven months of 1940, new paid-for life insurance of Reliance showed an increase of 5.5% compared with the same period of 1939.

TEASH-

Life insurance in force with Reliance at the end of November attained a new high of \$503,375,519.

TEASH-W

With Perfect Protection—life, accident and health insurance—issued by Reliance Life, 64% of benefit payments go to living policyholders. This emphasizes the modern meaning of life insurance.

NUFACTURERS

HE Life Underwriter is a moulder of character. He persuades men and women to consider intelligently their problems and to meet their responsibilities through the exercise of the praiseworthy habit of thrift.

The Manufacturers Life representative is encouraged to esteem his calling highly. He is given experienced guidance and adequate equipment to assist him to follow it with credit and success.

INSURANCE IN FORCE, 590 MILLION DOLLARS (Including Deferred Annuities)
ASSETS, 177½ MILLION DOLLARS

Grant, November showed a gain in business for the fifth consecutive month and an increase for the 11 months of 5.1 percent. About 60 percent of the sales organization reported business in a one-day drive Nov. 30 in honor of Mr. Grant's birthday, entitling them to a special award.

Life of Virginia-Volume of delivered business of ordinary agencies for the first 11 months was 44 percent over the same period of 1939. Net increase of insurance in force was 73 percent greater than that recorded in the first 11 months of last year.

COAST

Wyoming Paid Life Business for Last Year Reported

In copying the figures of the life companies and fraternals operating in Wyoming during 1939 for the Under-writers Hand-Book of the Rocky Mountain States, recently published by The NATIONAL UNDERWRITER, the correspondent in the state insurance department ent in the state insurance department furnished the compilers with the figures of "total premiums collected" instead of "insurance paid for." Thus the figures shown in this new book are incorrect. The correct figures of "insurance paid for" for the life companies and fraternals operating in Wyoming in 1939 are as follows:

Aetna Life	\$ 105,346					
American Mutual	1,520					
American National	436,695					
Bankers Life, Ia	97,854					
Beneficial Life	599,915					
Business Men's Assur	26,470					
California-West, States	1,023,500					
Capitol Life	196,587					
Central States	353,621					
Colorado Life	200,518					
Connecticut General	47,500					
Equitable Society	559,127					
Great Northern	16,000					
Guarantee Mutual	105,932					
Jefferson Standard	272,600					
	1,375,697					
Kansas City Life						
Lincoln Liberty	157,061					
Massachusetts Mutual	248,009					
Massachusetts Protective	41,500					
Metropolitan Life	50,508					
Midland National	7,500					
Minnesota Mutual	490,394					
Mutual Benefit	194,107					
Mutual Life, N. Y	933,282					
National Life, Ia	267,271					
National Life, Vt	2,304					
New England Mutual	22,381					
New York Life	1,655,177					
Northern Life	51,875					
Northwestern Mutual	69,500					
Northwestern National	240,346					
Occidental Life, Cal	734,765					
Occidental Life, N. C	80,000					
Ohio National	772,825					
Pacific Mutual	206,684					
Pacific National	553,430					
Pathfinder Life	581,250					
Paul Revere Life	581,250 69,784					
Penn. Mutual Life	336,596					
Prudential	444,964					
State Farm Life	60,474					
Sun Life of Canada	1,361,567					
Travelers	34,300					
Union Central Life	89,533					
United Benefit Life	201,500					
Washington National	201,000					
West Coast Life	126,746					
Western Life	22,000					
	20,000					
Fraternals						
Aid Assn. for Lutherans \$	50,062					

A. O. U. W. of N. D	603,794
Croation Frat. Union	62,703
Grand Carniolian Slov. Cath	5,636
Knights of Columbus	109,200
Maccabees	81.129
Modern Woodmen	232,364
National Slovak	1,900
Neighbors of Woodcraft	48,706
Royal Neighbors	152,600
Security Benefit	177,108
Slovene NatlBen	43,103
So. Slav. Cath. Union	43,550
Woman's Ben. Assn	74.162
W. O. W	313,904

New Premium Tax Setup in California Arranged

SAN FRANCISCO—At final conference on insurance legislation Tuesday attended by representatives of all classifications, with Commissioner Caminetti present, 59 bills were approved for introduction in the legislature in January.

General agreement was reached on a proposed constitutional amendment covering the gross premium tax under

ering the gross premium tax, under which the real estate offset on all real

property owned by companies except home or principal office in California will be reduced 20 percent per year and thus eliminated entirely at the expiration of five years. The gross premium tax would be reduced each year in an amount roughly equivalent to but not greater than the amount of offset thus eliminated. The right to offset taxes paid on home or principal office will include the part of the first far a wind on home or principal office will include the part of the far a wind of the part of the pa more than one home office for a period of five years after the general right to offset is eliminated, where an insurer has acquired more than one home office as result of merger effected prior to Jan.

The section of the insurance code requiring disposal of non-operative real property within five years after acquisition would be repealed. Based on 1940 gross premium tax payable on 1939 business, it is expected the net result at the expiration of five years should be a 2.35 tax rate. Net tax paid by 41 admitted insurers would be increased, with taxes paid by the other 672 admitted carriers either reduced or not affected. The tax burden will be equalized and domestic insurers, formerly subjected to retaliatory taxes, will obtain a reduction.

A number of proposals approved are directed at more regulation of Chapter he section of the insurance code re-

directed at more regulation of Chapter 9 life companies, which have been in trouble with the insurance department for several months.

United Benefit Life Figures

In the Underwriters' Hand-Book of the Rocky Mountain territory, recently published by The NATIONAL UNDERWRITER, no figures of business done in New Mexico are given for the United Benefit Life of Omaha. The correct figures are: insurance paid for in 1939, 855 000 and insurance in force as of \$659,000 and insurance in force as of Dec. 31, 1939, \$2,034,243.

Form Denver Life Trust Council

DENVER-Some 22 life men and 18 trust officers met here to form the Life Insurance & Trust Council of Denver. C. E. Davis, Connecticut General Life, was named president; M. H. Perkins Colorado National Bank, vice-president; Herman Feucht, American National Bank, secretary, W. L. Chase, Mutual Life of New York, treasurer. The executive council includes C. E. Eddleblute, Penn Mutual; Emerson Carey, Jr., John Hancock; A. K. Underwood, Lincoln National, and Ross Whetself, Van Schaack & Co., brokers.

Seek to Remove Juvenile Limitation

DENVER — Leading life men will sponsor a movement in the coming legislature, which convenes Jan. 1, to repeal the section of the law which pro-hibits the writing of life insurance on children under one year of age. The Colorado measure flatly prohibits the writing of any form of insurance on in-fants less than a year old.

Valuable Points Brought Out in Guertin Hearing

(CONTINUED FROM PAGE 11)

panies would be forced to increase surrender charges and larger ones could reduce them. He said the smaller com-panies would be smart if, instead of reducing their interest assumption they would set up a definite contingency re-serve as an offset to be a part of the surplus.

Mr. Phillips urged broadening the base of the surrender charge to a point calculated best to serve the needs of as large a proportion of the companies as possible.

Upon request, Chairman Guertin as-

or request, Chairman Guertin assured that any memoranda which the company men desired to file subsequently would be thankfully received.

Mr. Guertin conducted an informal discussion on the proposals of the non-confession which is the contraction of the contraction.

forfeiture value committee at the meet-ing of the Chicago Actuarial Club ing of the Chicag Wednesday evening.

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REPUBLIC NATIONAL LIFE **INSURANCE COMPANY**

DALLAS

HOME OFFICE

AGENCY NEWS

Davis Honored for 35 Years With Metropolitan

UNIONTOWN, PA.—L. J. Zettler, New York, superintendent of agencies of Metropolitan Life, headed a large home office delegation at the testimonial dinner for John Davis, regional manager here. The gathering celebrated Mr. Davis' 35 years with Metropolitan in the Uniontown district.

Joining Metropolitan in 1902 as an agent, Mr. Davis became assistant manager in 1904, deputy superintendent in 1910, superintendent in 1910, superintendent in 1910, and manager in 1921. The dinner was attended by many leaders in Uniontown civic life and attracted much attention from the local press.

local press

local press.

In addition to Mr. Zettler, who presented Mr. Davis a diamond studded pin, the home office was represented by C. W. Bethel, assistant superintendent of agencies; G. B. Dudley and R. V. Pike, agency supervisors; C. W. McGinnis, regional manager; Chester Niklas, supervisor, group division; J. M. Young, supervisor field training division, and Franziska Gliebke, nursing supervisor for Pennsylvania. for Pennsylvania.

Mersfelder Holds Deer Dinner

Mersfelder Holds Deer Dinner

The annual meeting of the L. C. Mersfelder agency of the Kansas City Life was held in Oklahoma City, with the deer dinner the same evening. There were 75 to 80 guests, including W. E. Bixby, president; J. F. Barr, vice-president; J. A. Budinger, actuary; Dr. J. E. Bee, medical director, and O. Sam Cummings of Dallas, state manager for Texas. A diamond studded emblem was presented to Mrs. Bessie Dale, special agent in Lawton, in recognition of her record in obtaining an application everyweek for 520 weeks or ten full years.

At the Friday forum luncheon of the chamber of commerce, Mr. Cummings pinch-hit for the scheduled speaker, talking on "Democracy and Business." Mr. Mersfelder and guests attended the

talking on "Democracy and Business." Mr. Mersfelder and guests attended the forum in a body.

NEW YORK

TO DEDICATE AIR TERMINAL

The Mutual Life of New York, which sponsored and constructed the new six-story Airlines Terminal at Park avenue and Forty-second street, will give an of-ficial dedication dinner Jan. 8, with President Lewis W. Douglas as principal speaker.

In connection with the project, President Douglas called attention to Mutual Life's action in withdrawing all restrictions on fare-paying passengers of in-corporated commercial air-lines under the American flag.

MANAGERS SUPERVISORS' GUESTS

General agents and managers whose offices are represented in the New York City Life Supervisors Association were City Life Supervisors Association were guests of that organization at dinner. Stanley Weiland, Keffer agency Aetna Life, association president, was toastmaster and introduced a number of representatives of other life organizations. There was musical entertainment and following the dinner there was an evening of bridge and other games.

HOEY & ELLISON TURKEY CONTEST

Two 19-pound turkeys from Helfred Two 19-pound turkeys from Helfred Farms will be the prizes awarded to the high man in lives and the high scorer in volume when the Hoey & Ellison agency of the Equitable Life of Iowa in New York City winds up its production contest Dec. 20 at Travers Island, N. Y. To make the contest more interesting Manager E. J. Phelps obtained the turkeys from the farm owned by Mrs. Helen Hubbell, wife of

Research Bureau schools of management met in New York to hear a discussion on "Programming the Package Sale." Robert Procter of the Recussion on "Programming the Package Sale." Robert Procter of the Research Bureau gave a demonstration, with Philip Holmes, manager Connecticut General Life, New York City, as prospect. Ward Phelps and L. W. S. Chapman of the bureau staff conducted the meeting. the meeting.

MINSTREL SHOW AT PARTY

The novel Christmas party staged by the New York City Life Underwriters Association proved highly successful. The organization was host to the agency office staffs represented in the association. Entertainment included several acts, with the minstrel show from the New York City Life Managers recent griding show a quartet and december of the control of the New 2 counter and december of the New 2 counter and the New 2 counter an cent gridiron show, a quartet, and dancing to the music of a well-known or-

JOHN HANCOCK NEW YORK SHIFTS

The John Hancock Mutual Life has appointed J. F. Breslin, formerly manager of New York 4, as manager of New York 1, succeeding O. E. Anderson, just appointed superintendent of agents

agents.
J. A. Mullin, formerly field supervisor in Greater New York, becomes manager of New York 4 and is succeeded by L. P. Stevens, formerly supervisor at Bridgeport, Conn.
Max Mell, assistant district manager of New York 1, will on Jan. 1 become district manager at Orange, N. J., succeeding Elmer de Szendeffy, who retires under the pension plan. tires under the pension plan.

PRUDENTIAL MERGES AGENCY

Prudential is merging its ordinary gency at 217 Broadway, New York,

President F. W. Hubbell of the Equitable. The contest began Nov. 25.

BUREAU ALUMNI MEET

Research Bureau schools of management met in New York to hear a discussion of the management of P. Raymond Garrison, who retired June 30. Since that date, Leo Blatz has been serving as

acting manager.

The entire agency and supervisory staff, as well as the clerical personnel, will be affiliated with other Prudential

DOREMUS ELECTED DIRECTOR At the annual election the Guardian Life elected F. S. Doremus, New York

Life elected F. S. Doremus, New York manager, a director. For a number of years he has ranked as the dean of Guardian managers in point of service. Starting with the Guardian as a field man in Montana, Mr. Doremus was subsequently transferred to New York City to head the metropolitan agency and has remained in that post ever since. Throughout his service, the Doremus agency has ranked among the foremost units in the Guardian field organization.

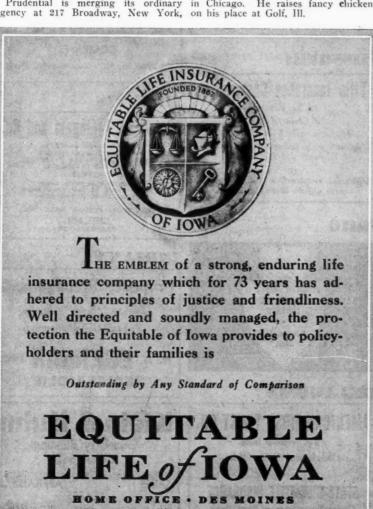
WHY HE QUIT REBATING

If there were a Nobel prize for looking ahead it should go to a New York City agent who was overheard in the subway explaining why he had quit rebating. It seems he had met a girl. He began to worry about what would hap-pen if they married, did not get along, and were divorced.

and were divorced.

"If I was rebating, I'd have to pay alimony based on my income without any allowance for what I'd rebated," he explained to his friend.

Raymond T. Smith of Chicago, vice-president of A. M. Best Co., appeared in the Chicago "Daily News" Tuesday beside a Plymouth Rock chicken weighing 11½ pounds, upon whose back was perched a bantam weighing 22 ounces. The big chicken was Mr. Smith's entry in the International Poultry Exposition in Chicago. He raises fancy chickens on his place at Golf, Ill.







klet explains how to DOCK W the figuring of

AMORTIZATION and ACCUMULATION **SCHEDULES** PREMIUMS COMMISSIONS STATISTICS POLICY LOANS INTEREST ACTUARIAL CALCULATIONS, etc.



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Consult your phone book and call the FRIDEN representative in your community for a demonstration of the FRIDEN model best suited to your work.

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NEWS OF LIFE ASSOCIATIONS

Organize \$250,000 Group

MILWAUKEE—Helmus B. Wells, Milwaukee, Mutual Life of New York, president of the Wisconsin Association of Life Underwriters, has announced following a meeting here of the officers and directors, that the annual convention and sales congress will be held at Eau Claire, Wis., June 5-6. Walter Garbers General agent Bankers Life at Eau Claire, Wis., June 5-b. Watter Gar-ness, general agent Bankers Life at Eau Claire, has been named general convention chairman, and Ben S. Mc-Giveran, general agent Northwestern Mutual Life, chairman of the speakers'

Mutual Life, chairman of the speakers committee.

One of the features of the next convention will be the organization meeting of a Wisconsin \$250,000 Round Table, now in process of formation under the chairmanship of Dr. Charles E. Albright, Milwaukee, for many years leading Northwestern Mutual Life producer.

The legislative committee, headed by Harold Noer, Madison, is anticipating a busy time with the Wisconsin legislature in session.

lature in session.

Rochester, N. Y.—W. A. Schworm, president of the Buffalo association, paid an official visit to the association here and attended a committee meeting of the New York state association.

Southeast Nebraska—The December meeting was held Saturday at Nebraska City. George S. Davles, district manager Metropolitan Life, was guest speaker. The January meeting will be held in Auburn.

ropekn—J. E. Conklin, Equitable Society, president Kansas state association, addressed a luncheon meeting on "The Showmanship of Salesmanship."

Pueblo, Colo.—M. V. Stenseth, Denver, state manager Business Men's Assurance, pointed out ways in which life insurance salesmen can present the subject more efficiently. He emphasized that salesmen must keep abreast of the times by advanced education and serve their clients by rearrangement of insurance estates to best meet the needs of the individual.

Oklahoma City—Carey Selph of Hous-ton, Tex., big producer of the Great Southern Life, who has qualified twice for the Million Dollar Round Table, for the Million Dollar Round Table, spoke Friday.

It was announced that on Jan. 10 the

It was announced that on Jan. 10 the association would be the guest of the Tulsa association and present the following speakers, each in a 10-minute talk: Jesse T. Owens, Mutual Life of New York, association president; Tom B. Reed, Great Southern, and Theodore Green, Massachusetts Mutual. In return, the Tulsa association will visit the Oklahoma City group Jan. 17.

An attendance of 600 is the goal set for the sales congress Jan. 31.

Chiego — More than 1,200 members

for the sales congress Jan. 31.

Chicago — More than 1,200 members and guests attended the holiday charity party at the LaSalle Hotel, Chicago. The \$300 proceeds will be turned over to the Goodfellows and the daily newspapers' funds. D. M. Phipps, Parsons agency Mutual Benefit Life, was the chairman of the committee in charge of arrangements.

chairman of the committee in charge of arrangements.

Eau Claire, Wis.—"An American Portrait," movie of the Institute of Life Insurance, was shown. Ben McGiveran, Northwestern Mutual, program chairman, gave a preview of some of the features planned for the state convention here next June.

PURE PROTECTION LOW COST

Ordinary, Whole Life Policy Without urance in Itself is Inexp ESTIMATED AVERAGE ANNUAL COST AGE 40 ... \$16.40 PER \$1.000.00 lears of Dependable Service to Policyho 33 Years of Dec

Interstate Reserve Life Insurance Company

Wisconsin Congress June 5-6; Senator Says Insurance Need Have No Fear of Government

BIRMINGHAM, ALA. — Insurance companies need have no fear of govern-ment interference in their business, Sen-ator John H. Bankhead of Alabama, declared before the Birmingham Association of Life Underwriters' sales clinic. F. P. Samford, president Liberty National Life, and C. Vivian Anderson, Provident Mutual, Cincinnati, also

Provident Mutual, Cincinnati, also spoke.

Senator Bankhead criticized "politically-minded selfish underwriters" for bringing the insurance investigation into the presidential campaign. The senator read a statement from Senator O'Mahoney, chairman Temporary National Economic Committee, declaring that no member of the TNEC or any of its agencies had recommended any legisla-

Title Insurance Companies

• The title insurance firms whose cards are shown on this page have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

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THE TITLE GUARANTY COMPANY

W. Elliott Houston, Proc. Aksol Nielson, Exec. V. P. "Home of Landon Abstracts"

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OHIO



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—DIRECTORY-

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Wheeler Kelly Hagny Trust Company Wichita, Kansas

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READ-STEVENSON & DICK INC.

Property Management Sales—Leasing Mortgage Loans

A. C. Read II R. Redding Stevens Charles E. Dick 109 South Main Street

LITTLE ROCK, ARKANSAS

FLORIDA

Property Management Mortgages—Sales Appraisals

MAL HAUGHTON JR.

COMPANY

108 West Bay St.

Jacksonville, Florida

ILLINOIS

Raiph W. Applegate and Co.

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Klein & Kuhn

Guaranty Building Indianapolis

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APPRAISALS LEASES

Property Management

MICHIGAN

EQUITABLE TRUST COMPANY 00 GRISWOLD STREET DETROIT, MICHIGAN

Property Management Appraisals Mortgage Loans Sales

Trusts

Estates

MINNESOTA

DUNN & STRINGER

INCORPORATED

Empire Bank Building St. Paul, Minnesota

McNeil S. Stringer, Pres.

Mortgage Loans Property Management

OHIO

HOWELL-VIGGERS CORPORATION

Certified Property Managers Appraisals

Second National Bldg. Akron, Ohio

Raymond T. Cragin & Co.

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Covering Complete Metropolitan Area National City Bank Bldg. CLEVELAND

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844 Prospect Avenue Cleveland, Ohio

tion that provided for federal regulation of insurance.

of insurance.

Mr. Samford in pointing out that the government investigation had shown that the American institution of life insurance was one of the soundly managed businesses in America, said it was the duty of the underwriters to "police" their own business or else all would

Mr. Anderson, former president National association, praised the work of the National and local associations and urged all underwriters to back their associations. He also outlined some of his aggressive sales methods

Hedges Talks in Two States

Bert A. Hedges, Kansas manager the Business Men's Assurance, Wichita, addressed the Stillwater, Okla., and Dodge City, Kan., Life Underwriters Associations.

New Castle, Pa.—George A. Smith, manager Hill Top office Metropolitan Life, Pittsburgh, spoke on "Are You Coasting?"

Coasting?"

Richmond, Vn.—C. Milton Sherman, Buffalo general agent Connecticut Mutual Life, speaking on "The Obvious and Oblivious," said sometimes things are so obvious that one is inclined to overlook them. Again, one may be so oblivious that fundamentals are lost sight of. In seaking delivery, he emphasized the imthat fundamentals are lost sight of. In making delivery, he emphasized the importance of stressing obvious provisions, which may not be obvious to the policyholder, and also of stressing provisions which are likely to be overlooked.

New Bedford, Mass.—Paul Zerrahn, Phoenix Mutual Life, spoke on "Funda-mentals of Advanced Life Underwrit-ing." Chester E. Davis presided.

Columbus, O.—E. B. Thurman, Chicag-general agent New England Mutual Life spoke Thursday.

Kalamazoo, Mich.—R. A. Hayward, resident Kalamazoo Vegetable Parchent Co., spoke on "Present and Future aconomic Trends."

salt Lake City—O. W. McConkie, for-mer district judge, recently appointed city commissioner, spoke on the signifi-cance of Christmas.

cance of Christmas.

Laurel, Miss.—H. M. Faser, superintendent of agencies of the Lamar Life, addressed a joint meeting of the Laurel and Hattiesburg associations in Laurel on "Is Life Insurance a Miracle?" H. W. Graves, Lamar Life, president of the Laurel association, presided. J. R. Shearer, Metropolitan Life, president of the Hattiesburg association, headed the delegation from his city.

delegation from his city.

Akron, O.—Arthur D. Johnson of the group department of Prudential, gave a talk, "The Third Page." Thirteen new members were inducted. The program was in charge of Clarence Bateson, Life of Virginia.

Melvin F. Boice, Sun Life, president Akron association, was honored for his "enthusiastic representation of the insurance profession."

Taleda Q.—A film "Selling America"

Toledo, 0.—A film, "Selling America," based on incidents in the life of Benjamin Franklin, will be shown at the Dec. 21 meeting.

St. Louis—H. R. Bartle, Kansas City, praised life agents as builders of men "who put courage in the hearts of those who might waver in adversity." He was introduced by Walter W. Head, president General American Life. C. M. Vaughan, general agent Equitable of Iowa, has been elected a director to succeed E. P. Connolly, who has been transferred to Des Moines as general agent for the Penn Mutual Life.

Cincinnati—A Christmas party for children of the Sequin school will take the place of the December meeting. The party, for underprivileged children, was initiated last year. H. I. David, general agent Massachusetts Mutual, Atlanta, will speak Jan. 16.

Will speak Jan. 16.

Little Rock, Ark.—Foster A. Vineyard, associate general agent in the Gordon H. Campbell agency of the Aetna Life, has been named national committeeman of the Little Rock Life Underwriters Association. He has previously served as secretary and president.

Jonesboro, Ark.—T. H. Pryor, manager United Insurance Agency, spoke on "Workmen's Compensation, and What It Means to Arkansas."

Baltimore—A talk was given at the monthly meeting on "International Affairs" by Dr. Katharine Jeanne Gallagher, professor of history, Goucher College, Baltimore, a nationally known lec-

LEGAL RESERVE FRATERNALS

Fidelity Life Sales School in Chicago

Four new life insurance certificates were announced to the field by President W. C. Below of Fidelity Life, Fulton, Ill., at the annual sales school held in Chicago this week. The new forms



WALTER C. BELOW

are a retirement income at 65, an "Ideal" policy consisting of whole life to age 60, with reduced benefits after that age, without change in premium, sold only to select risks; a special \$2,500 endowment at age 85, and a juvenile endowment at age 21 in a certificate amount of \$250. The latter contract completes the company's juvenile program which includes pany's juvenile program which includes whole life, 20 payment life, and a series of endowments

President Below reported the society had a good year and he expected assets and insurance in force would show in-

Several Officials Attend

About 60 field people attended from Kansas, Minnesota, Iowa, Michigan, Wisconsin, Illinois and Indiana. Many were present from the home office, including A. R. Colvin, sales manager; F. W. Hough, secretary; Harold Allen, editor; Bess Gallagher, head of the juvenile department, and also Al F.

turer on economic problems. Dr. Gallagher discussed lessons which the nation has to learn from the blitzkrieg in Belgium and Holland. The first lesson to be learned, she said, is the value of preparedness; the second is, unity of action. There must be unity of labor, capital, industry and the military.

Des Moines—Louis Behr, Equitable So-ety, Chicago, will address the meeting

Dec. 27.

Cleveland—Speaking on "How Safe Is Life Insurance," Ohlo Superintendent Lloyd called for right thinking in a troubled world. He said life insurance is one of the safest possible investments and if insurance should fall down he would hate to think of money and other securities.

Touching on inflation, he said there is just as much chance that the invested dollar will be worth more later on, as there was that it will be worth less. He paid high tribute to the state association and its aid in building up the insurance department.

THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society Frances D. Partridge Supreme Secretary

Port Huron, Michigan

Schoch, treasurer, of Ottawa, Ill. Mr.

Schoch, treasurer, of Ottawa, Ill. Mr. Schoch was honored on his 83rd birthday which occurred Wednesday. He has been connected with the society since 1897 and treasurer all that time.

Emphasis in the school was placed on securing persistency of business through proper selling methods, selling income plans of insurance, and larger applications. Theodore Gasaway, McComb, Ill., fieldman, spoke on the need for the new retirement income at 65, which was designed to supplement income derived designed to supplement income derived from social security.

Mansuy Elected President of Utah State Congress

R. C. Mansuy was elected president of the Utah State Fraternal Congress at the annual meeting held in Salt Lake City. He succeeds Isabel Murphy. The City. He succeeds Isabel Murphy. The other new officers are: First vice-president, Mrs. Rachel B. Daniels; second vice-president, Woodrow Robinson; secretary-ttreasurer, E. H. Darling, reelected. Mr. Darling has held the post for many years. The new officers will be installed at a meeting Jan. 14. A program is being prepared for the annual dinner to be held in February.

Ready to Write Juvenile

Catholic Knights of St. George commencing Jan. 1 will write juvenile insurance on the endowment at 85 plan. Policies will be issued in denominations of \$500 and \$1,000 only. Death benefits are graded to age 10. At age 10 the rate per \$1,000 is \$10.24. For succeeding ages to 16 the rate are \$10.29 ing ages to 16, the rates are \$10.38, \$10.58, \$10.73, \$10.89, \$11.05, \$11.24, \$11.44, \$11.64, \$11.85, \$12.06, \$12.26, \$12.47, \$12.69, \$12.92, \$13.16, \$13.28.

Actuaries Club of Boston Observes 10th Anniversary

BOSTON—John M. Laird, vicepresident Connecticut General and
president of the Actuarial Society of
America, was the guest speaker on
"Better Actuaries" at the 10th anniversary meeting of the Actuaries Club
of Boston. About 35 attended, representing companies in Boston, Worcester, Springfield, Pittsfield, Providence,
Portland and Montpelier.

A. E. Cleary, actuary of the Massachusetts department, presided. A general review of the activities of the club
since its organization and some interesting statistics regarding its membership were presented by H. A. Grout,
associate actuary John Hancock Mutual Life, who has been secretary of
the club since it was founded in 1930.
L. H. Howe, vice-president and actuary
John Hancock, one of the charter members of the club, spoke of an informal bers of the club, spoke of an informal

association of Boston actuaries which

association of Boston actuaries which existed a generation ago.

Discussions on "War Risks and Related Problems" were led by H. H. Jackson, actuary National Life of Vermont; Walter Tebbetts, vice-president New England Mutual Life, and R. C. Guest, actuary of State Mutual Life.

H. A. Garabedian, assistant actuary John Hancock, presented the mortality experience, new business and termination statistics of the member companies, and a resume of dividend actions applicable for 1941.

Holgar Johnson in St. Louis

Holgar J. Johnson, president Institute of Life Insurance, will speak on "The Salesman and Democracy" at a banquet meeting of the Sales Managers Bureau of the St. Louis chamber of commerce, Dec. 20, when awards in the distinction of the sales when the sales were sales with the sales with the sales with the sales were sales with the sales with the sales were sales with the sales with the sales with the sales were sales with the sales wi distinguished salesmen's contest ducted by the bureau, will be made will be introduced by W. W. F president General American Life. Head,

WOODMEN OF THE WORLD

Five Modern Legal Reserve Contracts

- Ordinary Life
- Twenty Payment Life
- Endowment at Seventy
- Twenty Year Endowment • Family Income

These contracts are participating, and provide all standard non-forfeiture options.



Operating for almost fifty years in California, Oregon, Washington, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming.

Write for particulars to

PETER F. GILROY, President DENVER, COLORADO

"STRAIGHT THINKING"

may well be the title of the Coming Period between 1940-1950.

> The officers of the Equitable Reserve Association have Faith in the Integrity and Common Sense of the American People and Pledge their utmost in Effort and Cooperation that the Equitable Reserve May Do Its Part to Further and to Share in the Progress of the Nation.

EQUITABLE RESERVE ASSOCIATION

NEENAH, WISCONSIN

(A Great Friendly Society With A Record of 43 Years of Real Service to Its Members.)

AGENCY MANAGEMENT

Axelson-for-Director Boom Is Started in Chicago

A Charles F. Axelson for Illinois in-surance director boom started at the fall party of the Life Supervisors Associa-tion of Chicago with enthusiastic reception of Chicago with enthusiastic recep-tion of the mentioning of his name by C. B. Stumes, Penn Mutual general agent. Mr. Axelson, special agent Northwestern Mutual Life in Chicago. has been prominently mentioned as a possibility for appointment by Governorelect Green early in January to head the insurance department. The entire group of about 100 general agents, managers of about 100 general agents, managers and supervisors placed themselves solidly behind Mr. Axelson's candidacy. They feel national events call for the naming of an experienced life insurance man as director. Mr. Axelson has been a successful producer for many years, is past president Illinois Association of Life Underwriters, and familiar with affairs at Springfield.

Chicago general agents and managers fairs at Springfield.
Chicago general agents and managers

Chicago general agents and managers were guests of the supervisors, there being about 100 present. Roy Elmer, New York Life, association president, presided, and R. H. Wienecke, Mutual Trust Life, was "emcee." R. J. Curry, Aetna Life, handled arrangements.

The new officers were introduced, these being George Huth, president; Mr. Curry, vice-president, and Don K. Alford, Prudential, secretary-treasurer. Mr. Huth is the new general agent of Provi-

Huth is the new general agent of Provi-

Huth is the new general agent of Provident Mutual.

A number of managers spoke including J. D. Moynahan, Metropolitan, president C. L. U. chapter and chairman general agents and managers division Chicago Association of Life Underwriters; Mr. Stumes, who discussed legislation; P. B. Hobbs, Equitable Society, National association committeeman; W. M. Houze, John Hancock, president Chicago association, and C. J. Zimmerman, Connecticut Mutual, immediate past president National association.

Honor Osborn in Kansas City

KANSAS CITY—Col. A. P. Osborn of the Osborn-Mercer agency of the Lincoln National Life here, dean of Kansas City general agents, was honored by the General Agents & Managers Association at a dinner.

Colonel Osborn, 71, has been an insurance man 48 years. Born on a farmear Albany, Mo., he started in the business as an agent at Albany when he was 23. He was transferred to Joplin, Mo., for a time and then came to Kansas City in 1907 as general agent of the sas City in 1907 as general agent of the Lincoln National, a post he has held since. He is a past president of the Life Underwriters Association here, and has always been active in association

Columbus Cashiers Hear Grady

Charles W. Grady, auditor of agency accounts of the Midland Mutual, spoke at the December meeting of the Life Agency Cashiers Association of Colum-

Seminar in San Francisco

The second of a series of seminar meetings was held by the General Agents & Managers Association division of the San Francisco Life Under-

Policy Wallets

Perfect for Remembrance Advertising! Leather Policy Wallets

Black grained leather policy wal-lets with 7 envelopes inside. \$1 ea. or 75c ea. in dos. lots. De-Luxe quality, leather lined, \$1.75 ea. or \$1.50 ea. in dos. lots. Cash with order unless rated con-cern. (Cowhide Sales Pac. 1-inch rings, inside sipper pocket, \$3.30.)





writers Association. Subjects discussed were "Training New Organization," by V. W. Wiedemann, Equitable Life of Iowa, and "Keeping Old Organization in Production," by R. J. Shipley, Northwestern Mutual, followed by Northwestern Mutual, round table discussions.

Columbus Leaders Banquet Jan. 23

The annual leaders club banquet of the Life Managers & General Agents Asthe Life Managers & General Agents Association of Columbus, O., will be held Jan. 23. Albert Morrill, Cincinnati, president Kroger Baking & Grocery Co., will be the speaker. Two leaders in each agency in volume of business and number of lives paid for will be presented awards. Herman Tice, Midland Mutual, is chairman of the committee in charge tee in charge.

Seattle Cashiers' New Officers

New officers just installed by the Life Agency Cashiers Association of Seattle are: President, Kenneth Smith, Sun Life of Canada; vice-president, P. W. Sieverling, Mutual of New York; secretary, Ila Peck, Ohio National Life, and treasurer, Betty Aronin, Prudential. The annual Christmas party was held Dec. 19

Cleveland Executives Elect

Cleveland Executives Elect

CLEVELAND—J. Ray Davis, general agent Provident Mutual Life, was named president of the Cleveland Life Insurance Executives Club at its annual meeting. J. H. Rutherford, Phoenix Mutual Life, is vice-president and Warren H. Smith of Smith, Lawlor & Kroehls, general agents Northwestern National Life, secretary-treasurer. On the executive committee are W. A. Beam, State Mutual Life, and F. N. Winkler, Mutual Benefit Life.

J. Harry Wood, second vice-president John Hancock Mutual Life, spoke on "What Do Our Observations Disclose for the Future of Our Agencies?"

The Wichita General Agents & Managers Association is holding a Christmas meeting Dec. 24.

The General Agents & Managers Association of Indianapolis held a Christmas party Dec. 19 with an appropriate entertainment program.

The Life Agency Cashiers Association of San Francisco is holding a Christmas dinner and party Dec. 20. W. C. Toon, Union Central, and Neil Ball, Manufacturers Life, are in charge.

1940 1907

Sparling Toronto President

M. W. Sparling, North American Life, Toronto, has been elected president of the Toronto C.L.U. Vice-president is Max Barber, Travelers; secretary, C. K. Swartz, Imperial Life, and treasurer, A. C. McIntyre, Northern Life.

Plan Regional in Buffalo

BUFFALO—A regional meeting here of C. L. U. chapters from western New York and northern Pennsylvania is planned by the Buffalo chapter. Special honor will be paid M. S. Tabor of Buffalo, new director of the American Sec

At the January meeting of the Buffalo chapter R. L. Stevenson, sales manager power division Remington-Rand, Inc., will discuss sales technique.

Start Management Class

The Los Angeles C.L.U. chapter started its class in agency management Dec. 18, sufficient members having indicated they were interested. R. R. Hays, Jr., general agent New England Mutual Life, is chairman of the compittee in charge of the classes.

mittee in charge of the classes.

The class in public speaking, with 21 members, held its initial meeting last

Dean Ross Speaks in Indianapolis

INDIANAPOLIS—Dean M. O. Ross of Butler University's school of business administration, spoke to the Indianapolis C. L. U. chapter, discussing various phases of the economic picture. Although the long awaited boom is here, the expressed regent that the stimulation he expressed regret that the stimulation is coming from the production of weap-ons of destruction rather than from goods which tend to increase standards of living and promote business welfare.

Anderson Registration Head

CINCINNATI — C. V. Anderson, Provident Mutual, has been appointed registration chairman for the 1941 meet-ing of the National Association of Life ing of the National Association of Life Underwriters in Cincinnati the week of Sept. 15. Hotel Gibson will be registration headquarters and advance registration should be made with Mr. Anderson in care of the hotel. The president's reception and ball will take place Wednesday evening Sept. 17, at Hotel Netherland Plaza. Several hundred reservations already have been received.

Agency Relationship Held Not Completely Binding

The old general rule that the relation-ship of agency binds the life company to any acts of its agents, which has been established in many court decisions, was overthrown by the Mississippi supreme overthrown by the Mississippi supreme court in the case of Saucier vs. Life & Casualty. The Life & Casualty's local agent attempted to deliver the policy, but finding the applicant did not have the money that day, left the policy saying he would call the next day to get the money. He assured that in the meanity the the applicant was covered by inserting the time the applicant was covered by insur-ance. The agent failed to call the next day and the insured died that day. The lower court decided in favor of the com-

pany, issuing a directed verdict for it.

The action was under section 5196 of the Mississippi insurance code. The supreme court held that the statute, which makes the agent a representative of the company and not of the assured, did not have the effect of riging the other section. company and not of the assured, did not have the effect of raising the status of a local agent to a general agent so as to give him the power to vary the provisions of the written policy contract, one of which was that the insurance would not be effective until the premium was paid in cash or its equivalent. The company had argued that the agent was not authorized to deliver the policy unconditionally without demanding the initial premium. The agent argued that he had demanded the money.

Irving Victoroff Honored

Associates and company officials of the Bankers National Life gave a dinner to Irving Victoroff, Jersey City, general agent, in recognition of his fifth anniversary as general agent. We was presented a desk set and a loving cup. William Sieger, vice-president and manager of agencies, was toastmaster. President Ralph R. Lounsbury was the principal speaker. principal speaker.



General Agency OPPORTUNITIES for good personal producers

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33 YEARS OF FAITHFUL S-E-R-V-I-C-E! Write Paul L. Temple, Agency Director, for Descriptive Folder of New "AUTOMATIC COVERAGE"

MORTGAGE CANCELLATION PLAN

MISSOURI INSURANCE COMPANY

"An Old Line Legal Reserve Life Insurance Company With \$16,000,000 Insurance in Force"

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A PUBLIC SERVANT SINCE 1897 Attractive ordinary agency possibilities in the Philadelphia area. Write

CHARLES F. NETTLESHIP, Vice President

HOME OFFICE-JERSEY CITY, N. J.



Sales Ideas and Suggestions

Agency Analysis for 1941 Is Presented by Rothaermel

A "blueprint" for an agency in the new year was presented the Life Managers Club of Los Angeles, drawn around the objectives of an adequate amount of business, of good quality, at a reasonable cost, by W. M. Rothaermel, vice-president in charge of agencies Pacific Mutual Life. He said that reasonable cost means reasonable profit to the general agent. He compared agency building to home construction. First comes the blueprint outlining the general structure, he said and then the specifications which provide material for the building. In agency building the blueprint is the broad general principles the building. In agency building the blueprint is the broad general principles of agency management and the specifications are the methods used.

Cites Hypothetical Agency

Cites Hypothetical Agency

An adequate amount of business, he said, would be a sufficient amount to show an increase of insurance in force. He illustrated with a hypothetical agency having \$10,000,000 in force and the high lapse ratio of 6 percent including death claims. He explained \$600,000 of business must be replaced in 1941, just to maintain the insurance in force, and if a 4 percent gain is desired, or \$400,000, the goal must be set at \$1,000,000 new business. If this agency did \$900,000 of business in 1940, in order to show a gain of 4 percent, it must to show a gain of 4 percent, it must have an increase of \$100,000 or 11 per-cent for 1941.

cent for 1941.

To do the proper production job, three factors play an important part, the average policy, average number of applications per man and number of men. Increase can be made by increasing the average size policy, by increasing the number of applications written per man through stressing the app-a-week club, or by increasing the number of men. To increase an agency force from 10 to 12 effectives, the general agent must hold those that he has and increase the number by two who do the average of number by two who do the average of the agency. In actual practice. Mr. Rothaermel said, the number of new agents desired probably would have to

Agents' Distribution Factor

General agents might well examine their agencies for distribution of agents geographically, whether there are any bald spots that should be covered; whether younger or older men are needed for better distribution; whether the various racial and religious grouns in the area are being covered thoroughly, and also as to occupational classifica-

The next question that presents itself is how many prospective agents must be interviewed to secure one agent, which brings up the question of what is the survival rate in the agency and how many agents must be put on in the year to have a net gain of the desired number at the end of the vear. Terminations and possible deaths must be taken into consideration. As a rule, he said, for every old agent lost, there must be a received at least two new year.

be appointed at least two new men.

The law of averages is an important one to the general agent. He must find out how many agents. He must must out how many agents are required to write \$1.000,000 of business. The average is 10 to 14, depending upon whether the agency is in the city or country. For every \$1.000,000 of production there are 2½ to 3½ \$100,000 producers. The general agent must determine his average of the production of the second agent must determine his average. general agent must determine his aver-

general agent manage ratio.

Next comes the question what percentage of the agency force should be club members. As a rule, 25 percent are

and they generally produce 60 to 70 percent of the business. What percentage should be new organization or men in their first year? If the percentage of new organization producers is less than the turnover percentage the agency is slipping in number of personnel.

Next, what percentage of business should come from new men in their

should come from new men in their first year? The generally accepted figure is 20 percent, which is borne out by analysis of a number of companies. About 12 percent of this 20 percent is used to take up the slack of the gradual wearing out and falling off of production of old men and the 8 percent balance is to take care of growth.

Then there is the question of what is the survival rate of new organization. Generally, of 10 men put on in the year, five survive and out of the five, one is a good producer, two fair or mediocre

a good producer, two fair or mediocre and two below fair.

Continuous Training Needed

Steps to take in securing a sufficient volume of good quality business with high renewal rates, low collection frequency and better than average premium collections, include continuously improving the quality of the agency force, better initial training of agents, and continuous training of them. Emphasis on quality business and low collection frequency should be one of the major points next year.

points next year.

Not only first year, but renewal costs of business should be seriously considered by the general agent. It pays to study renewal costs, which determine the cost per item for clerical salaries, tent postage talegraphs and such server. rent, postage, telegraph and sundries. Such a study will develop a cost of collection per item which can be translated into terms of minimum premiums on the annual, semi-annual or shorter

basis.
Mr. Rothaermel gave figures for a

pense ratio 1.5 percent, low .82 percent and high 1.78 percent. The average premium was \$58.46, low \$30.90 in one agency and high \$140.50 in another. Average renewal collection cost per item was 67 cents, low 41 cents in one agency and high \$1.34 in another. This means and high \$1.34 in another. This means that on a 1 percent basis, the minimum premium that could be profitably collected was \$41 in the first agency and \$134 in the second. The average renewal cost per item in this study was 36 cents clerical salaries, 11 cents rent, nine cents postage, four cents telephone and tele-graph, seven cents sundries.

Study of First Year Expense

One company's study of 50 agencies

One company's study of 50 agencies showed first year expense per thousand varied from \$2.70 to \$14, with an average of \$6.33, which was close to the \$6.50 figure set by Vice-president G. L. Hunt of New England Mutual Life in a study presented recently before the Los Angeles managers.

It might be well to establish some cost per agent, Mr. Rothaermel said. The entire first year cost might be divided by the number of agents to determine how many agents justifiably can be continued. One agency showed average cost per agent \$345.19. He said undoubtedly a number were worth much average cost per agent \$345.19. He said undoubtedly a number were worth much more than that, but the question was, how many were not worth that much. At \$6.50 per thousand first year cost, the average agent must produce a minimum of \$50,000 of business to be

Must Study Supervision Cost

Supervisory cost is a "headache" to many general agents, he said. Exces-sive supervision cost generally is caused by lack of definiteness in the job. Mr. Hunt's study indicated salaries of supervisors run \$1.80 per thousand. If the riunt's study indicated salaries of supervisors run \$1.80 per thousand. If the supervisor on this basis is getting \$100 a month and overriding commission of 5 percent, a rough calculation indicates he should be directly responsible for \$300.000 to \$400,000 of business in order for the general agent to break even on the schery clone.

too," the prospect might say. "If I get the government plan then I wouldn't want your plan." The agent could say that if the man were called in 1944, his that if the man were called in 1944, his year of training would end in 1945. Then he would have four years before he would be required to convert the government insurance from five year level premium term to a permanent plan. The prospect would be eight years older than he is today and the new premium would be based on his age eight years from now. Converting his government insurance at a rate based upon an age eight years older would mean a high premium in comparison with what

premium in comparison with what he would have to pay today.

"Why not buy this permanent plan now on which the rate never changes," Life & Casualty suggests, saying, "and then if it is impossible to pay the converted rate on the government insurance, you can still enjoy \$5,000 of savings and protection at the same rate."

Country Life of Chicago makes some observations regarding life insurance and

country Life of Chicago makes some observations regarding life insurance and the registered men. The point is made that so far as that company's policyholders are concerned, the premium deferment provision of the soldiers' and sailors' relief act is only beneficial on policies that have not been in force long accounts for the extraction in the constant of the contraction. policies that have not been in force long enough for the automatic premium loan to become effective. Any registered man called up for service who has a Country Life policy old enough for the automatic premium loan to be operated will be far better off to let the automatic premium loan keep his policy in force than to apply to the government for deferment of his premiums. That is true because when his training period terminates instead of having to pay back past due premiums, all within one year or due premiums, all within one year, or have his policy lapse, he has the privil-ege under the automatic premium loan. of taking as much time as needed in which to pay back the past due pre-

Minnesota Mutual Pamphlet

Minnesota Mutual Life has brought out a 16-page pamphlet entitled "Sound Financial Planning for the Registered Man." It contains a statement of the provisions of the soldiers' and sailors' relief act and gives much sound advice. "Sound Financial planning calls for each of us to go ahead with our normal plans to strengthen our personal and

plans to strengthen our personal and family finances," the pamphlet states. "Society has faced one crisis after another. Wars have come and gone. World conditions change quickly these days. Long before May 15, 1945, when the law expires, the need for training may have passed

the law expires, the need for training may have passed.

"Just because something may happen, you do not quit your job or quit planning for the future. The service law ought not to stop a single one of our plans for advancement. On the contrary, it should urge each of us to move ahead rapidly and soundly.

"Surely it would be poor planning to bring the clock of life to a complete standstill for several years because of what may happen."

Held Not Practicing Law

KANSAS CITY—Practices of the National Refund Company, Chicago, in advising people about possible cash values in old, lapsed life policies, have been investigated by the advisory committee of the Missouri bar administration, according to the Better Business Business cording to the Better Business Bureau here. In a bulletin the bureau stated "the committee held that the company is not engaged in the unauthorized practice of law in Missouri if the information service is rendered only on old weekly-payment or industrial policies which do not show on their face that they have cash surrender or legal cash value."

Suggest Answers to Doubts of Prospects in Draft Age

Agents are perfecting a number of arguments to overcome the objection that is advanced by men within the draft age that they intend to buy government insurance and hence, are not interested in private coverage at this

One of the most effective arguments appears to be to point out to the prospect the provisions of the soldiers' an pect the provisions of the soldiers' and sailors' relief act. If the policy has been in effect and one premium (which may be as little as a monthly premium) has been paid 30 days prior to entry into service and provided there is no existing lien on the reserves of more than 50 percent and provided the policy has no war clause, the veterans' administration will advance the premiums for those in the service on their private insurance up to \$5.000 face amount.

those in the service on their private insurance up to \$5.000 face amount.

The prospect is impressed with the fact that he can take advantage of that situation. During his period of military service, his private insurance will be in effect and there will be no deductions from his pay as there is if he purchases the government war risk cover. Some agents recommend that the man take private insurance and be content with that so long as he is only a member of a peace army. Should this a member of a peace army. Should this

wise for the man to supplement his pro-tection by purchasing government term

Life & Casualty of Nashville has prepared some typical objections that are encountered from prospects that are encountered from prospects that are within the draft age and it suggests some answers. For instance, a prospect may say that he wouldn't make insurance plans now because he is likely to be called at any time. Life & Casualty suggests telling the man the chance that he will be called into active training is not large. Those called in a year are one in 21

is not large. Those called in a year are one in 21.

If the man thinks that he does not want to count on not being called and start a lot of things he won't be able to finish, the point is made that it isn't good business for a man to stand still for five years or until May 15, 1945, at which time the act expires. It isn't good judgment to lose the five good years waiting for something that may not happen. If the man dreads the idea of taking on financial obligations that would hang over him during his period of service, the agent should explain the provisions of the soldiers' and sailors' relief act.

relief act.
"I wouldn't want to have that insur-

NEWS ABOUT LIFE POLICIES

By JOHN H. RADER

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE, \$5.00 and \$2.50 respectively.

Union Central Revises Schedule

Union Central Life has adopted a revised dividend schedule for 1941. The schedule is practically the same as the schedule paid in 1940 except that the

contribution from surplus interest has been reduced by ¼ of 1 per cent. "On account of the continued down-ward trend of interest rates throughout ward trend of interest rates throughout the country the interest factor in calculating dividends for 1941 has been reduced ¼ of 1 percent," President W. H. Cox states. "The new basis is in accord with present conditions and trends. "The company firmly believes that the primary objective of life insurance investment is security. The investment policy of the company, therefore, looks toward safety rather than amount of re-

policy of the company, therefore, looks toward safety rather than amount of return as the controlling factor, and, under current investment conditions, this policy inevitably results in lower interest yields."

Union Central has prepared a table showing the difference between new and old schedules in cost per theyeard are

old schedules in cost per thousand per year (10-year ledger basis) on policies issued at age 35. On term policies there is no change.

On term policies there is no change.
On commuted value multiple protection (20-year) the difference is 9 cents; ordinary life, 21 cents; 20-payment life, 25 cents; 20-year endowment, 53 cents.
Also it got up a table comparing new cost per thousand over a 10-year period of policies issued at age 35

cost per thousand over a 10-year period of policies issued at age 35.

On term policies there is no change.
On commuted value multiple protection (20-year) the cost on the old schedule is \$142.60, and on the new, \$143.81.
On ordinary life, the old figure is \$221.71, new, \$223.80; 20-payment life, old, \$313.88, new, \$317.34; 20-year endowment, old, \$441.35, new, \$446.67.

Home Life Issues **New Contracts**

Two new policy contracts are announced by Home Life of New York. They are a family maintenance policy and a family income contract to age 65. This latter policy answers the problem of the young man with increasing family responsibilities and supplements social security benefits for both the insured and his family.

Home Life also announces more liberal action in these three particulars:

Home Life also announces more liberal action in these three particulars: The accidental death benefits have been liberalized to provide for coverage to the insured while riding as a fare-paying passenger on scheduled airlines. Disability and accidental death benefits are now being issued on convertible term insurance and will be included in the new policy issued when the term insurance is converted. The company will accept monthly premiums on new insurance if the monthly installment of the premium is not less than \$10.

Automatic Conversion Form Withdrawn

At the same time Home Life withdrew the automatic conversion policy, introduced limitations on withdrawals under settlement options and announced a slight increase in rates for single-premium annuities to bring Home Life in line with action taken by other com-

panies.

President James A. Fulton states that the rates for the new family income to age 65 and family maintenance benefits are on a basis which should permit a substantial additional dividend to a policy containing these benefits. Rates for the 10, 15 and 20-year family income

benefits have been revised and also are now on a basis which contemplates additional dividends.

The 20 year family maintenance benefit differs from the 20 year family income benefit in that the income provided is payable monthly for a full 20 year period beginning at the death of the insured, the face amount of the policy being paid at the end of that period.

Below in the first column are given the extra premiums (payable to age 62) per \$10,000 face amount of insurance in connection with the family income to 65 plan and in the second column are given the extra premiums payable for 20 years per \$10,000 face amount in connection with the 20 year family maintenance contract:

ramii	y main	tenance	contr	act:	
	Inc.	20 Fam.		Inc.	20 Fam
Age	to 65	Maint.	Age	to 65	Maint
20	\$146,40	\$98.10	38	153.10	175.8
21	146,90	99.30	39	153.50	186.3
22	147.40	100.60	40	154.00	197.9
23	147.80	102.10	41	154.50	210.7
24	148.20	103.80	42	155.10	224.8
25	148.60	105.70	43	155.80	240.2
26	149.00	107.90	44	156.50	257.0
27	149.40	110.50	45	157.30	275.4
28	149.80	113.50	46	158.20	
29	150.20	116.90	47	159.00	
30	150.50	120.70	48	159.60	
31	150.80	125.10	49	160.00	
32	151.10	130.10	50	160.30	
33	151.40	135.80	51	160.50	
34	151.70	142.20	52	160.70	
35	152.00	149.40	53	160.80	
36	152.30	157.40	54	160.90	
37	152.70	166.20	55	161.00	
				- C TT	. T :C.

The new annuity rates of Home Life are presented below: Life Annuity Instal Refund

	Lille A			retund
		ale		uity
	Pur-	An. Pay.		An. Pay.
	chase	Pur-	chase	Pur-
	Price	chased	Price	chased
	of \$100	by	of \$100	by
	nnually	\$1,000	Annually	
Age A	nnually			
45 \$	2,087,10	\$47.91	\$2,286.10	\$43.74
46	2,045.10	48.90	2,251.50	
47	2,002.60	49.94	2,216.50	
48	1.959.90	51.02	2,181,30	45.84
49	1,917.00	52.16	2,146,00	46.60
50	1,873.80	53.37	2,110,40	
51	1.830.30	54.64	2,074,70	
50	1,786.70	55.97	2,038.90	
52	1,780.70			49.93
53	1,743.00	57.37	2,002.70	
54	1,699.10	58.85	1,966.80	50.84
55	1,655.20	60.42	1,930.60	51.80
56	1,611.20	62.07	1,894.10	52.80
57	1.567.20	63.81	1.858.00	53.82
58	1,523.30	65.65	1.821.50	54.90
59	1,479,40	67.59	1,785.00	56.02
60	1,435.60	69.66	1,748.70	57.19
00			1.712.20	
61	1,392.10	71.83		58.40
62	1.348.70	74.15	1,675.90	59.67
63	1,305.50	76.60	1,639.70	60.99
64	1,262.60	79.20	1,603.20	62.38
65	1,220,10	81,96	1.567.30	63.80
66	1.177.90	84.90	1.531.30	65.30
67	1,136.10	88.02	1,495.20	66.88
68	1.094.80	91.34	1,459.90	68.50
69	1,054.00	94.88	1,424,40	70.20
mo	1,054.00	00.05		70.20
70	1,013.70	98.65	1,389.00	71.99
71	974.00	102.67	1,354.30	73.84
72	934.90	111.54	1,319.40	75.79
73	896.50	111.54	1,284.80	77.83
74	858.70	116.46	1.251.00	79.94
75	821.70	121.70	1,217.10	82.16
76	785.40	127.32	1,183,80	84.47
77	749.90	133,35	1.151.10	86.87
78	715.20	139.82	1,118.20	89,43
70	681.30		1.086.00	92.08
79	001.00	146.78		
79	68130	146.78	1,086.00	92.08
80	648,30	154.25	1,054.70	94.81
81	616.20	162.28	1,023.30	97.72
82	585.00	170.94	992.30	100.78
83	554.60	180.31	962.00	103.95
84.0	525.20	190.40	932.10	107.28
85	496.70	201.33	903.00	110.74

Action on Aviation

Standard insurance for those who fly as fare-paying passengers on scheduled airlines in the United States is now being granted by Home Life. It is recalled that Home Life was the first company to remove all travel restrictions in its policies, such action being taken in 1866.

Home Life in February of this year purchased air scrip to expedite air

Home Life in February of this year purchased air scrip to expedite air travel for officers and employes.

Leigh Cruess, underwriting vice-president of Home Life, has recommended that Home Life make its calculations on the basis of a gross cost of 34 of 1 cent per hour of flying for each \$1,000 of life insurance. On this basis he suggests that where the amount of annual

flying is excessive in number of hours, some limit should be placed on the amount of insurance to be issued. Mr. some limit should be placed on the amount of insurance to be issued. Mr. Cruess states that the number of cases where the amount of fare-paying passenger flying is an underwriting hazard is few. He states that he does not remember a single case in the last two or three years where rated insurance would have been issued. As to accidental death benefits, Mr. Cruess suggests that where the applicant has had less than 50 hours of flying, the accidental death benefit provision shall be included in the policy at the regular extra rate. Where the applicant has had from 51 to 125 hours the accidental death benefit clause will be included at an extra premium of twice the regular rate and beyond 125 hours of flying the accidental death benefit clause will not be included. Because of the present increased activity in the air training program in this country, Home Life agents are still asked to complete the aviation supplement form with the application.

Fidelity Retains Scale, But May Change at Any Time

Fidelity Mutual announces that under the uncertainties of the world situation, its directors have deemed it unwise to make a dividend commitment for a fixed period of time. However, the present dividend scale and distributive rate of interest will continue until notice of change be given. Dividends and illustrations in the current dividend book will continue to apply.

change be given. Dividends and mustrations in the current dividend book will continue to apply.

President W. L. Talbot pointed out that all informed persons are conscious of the trend toward lower interest levels in all investment holdings. One of the problems is that corporate borrowers are availing themselves of every opportunity to retire existing bonds and refinance at lower interest levels.

Therefore, Fidelity Mutual must remain free to make further studies from time to time of its earnings and costs in relation to dividends and interest distribution and make necessary adjustments should the occasion arise. Inasmuch as Fidielty's indicated mortality for 1940 is quite favorable, offsetting somewhat the lower interest earnings, there will be no change at this time.

Quits Writing Two Contracts

Mutual Life of New York as of Ian.

1 will quit writing the single premium
10 and 15-year endowments. The company for some time has not been writing the single premium five-year endowment, in line with the practices of

Reliance Life Retains Scale

Reliance Life Retains Scale

Reliance Life announces that it is continuing in effect in 1941 the same dividend scale that it had used since 1937. In connection with supplementary contracts, Reliance Life, effective Jan. 1, will pay no excess interest where the original policy calls for either 3 or 3½ percent. Where the guaranteed rate in the life policy was 2½ percent, Reliance Life will pay excess interest in the amount of ½ percent.

On dividends left with the company

to accumulate, Reliance Life will pay no excess interest after the policy anniversay in 1941 in any case. Where the contract guarantees 3½ percent, Reliance Life will pay 3½ percent interest, but where the policy guarantees 3 percent, the company will accumulate the dividends at 3 percent interest.

Bankers, Iowa, Retains Scale

Bankers Life of Des Moines an-nounces it will continue in 1941 its present dividend scale on policies. The interest rate of 3¼ percent on proceeds left under settlement options also is

York Agency Is Leader in Equitable "Football" Drive

The annual November "football" campaign of the Equitable Society's central department under direction of Walter L. Gottschall, director of agencies in charge of the western division rolled up a total of \$26,537,000 of business in 6,716 applications written in 29 days. This compares with a volume of \$21,196,000 in November, 1939, secured in a total of 6,908 applications. Mr. Gottschall noted that there was secured in the campaign this year a considerably larger average this year a considerably larger average policy, which probably was largely due to the wider use of the Equitable's "as-sured estate" and "extended income"

sured estate" and "extended income" plans.

The Caleb L. York agency, Toledo, O., was the leading agency. Mr. York, who formerly was assistant manager under Manager H. L. Rogers of Indianapolis, was appointed Toledo manager early in 1940. All standings were on handicap basis. The York agency scored 55 "touchdowns' and all its agents participated. The C. R. Golly, Peoria, Ill., and Homer Jamison, Oklahoma City, agencies also scored 100 percent.

The next five leading agencies in order, all from Chicago, were: Lustgarten. Reno, Sacks, Hobbs, Woody. The Lustgarten agency led the entire department in volume with \$4,000,000 of business including group credits. J. B. Glasser, head of the Group Millionaires Club of the Equitable this year, was leading agent of the department in the cam paign. There were 24 agencies participating. Mr. Gottschall presented to Manager York Thursday the Gottschall trophy, a reproduction of a football, which last year was won by the Woody agency.

'Caravan" Rally at San Diego

"Caravan" Rally at San Diego

LOS ANGELES—The southern California caravan of the Life Underwriters
Association of Los Angeles had a breakfast meeting with the San Diego association, with more than 100 in attendance. The Los Angeles contingent was under the guidance of Phinehas Prouty, Jr., Connecticut Mutual, chairman of the caravan committee. Ron Stever, Equitable Society, snoke on "Work Habits"; Philip von Rolf, Northwestern Mutual, on "Capitalizing on the Social Security Act," and Homer Chanev, New England Mutual, on "Answer to Inflation."

Campbell Jannev, Pacific Mutual, president of San Diego association, presided.

Additional 1941 Dividend Announcements

American Citizens Continental, III. Equitable, N. Y.	Same	Non-with- drawable Proceeds Percent 3.5 3.5	With- drawable Proceeds Percent 3.5 3.5	Dividends left to Accumu- late Percent 3.5 3.5 3.0
Girard			aranteed ra	ite
Great-West		3.5	3.5	3.5
National Guardian	8	3.5	3.5	3.5
New England Mutual	Reduction	3.25	3.25	3.25
Reliance		gu	aranteed ra	ite
Republic National	Same	gu	aranteed ra	
Shenandoah	Same	3.5	3.5	4.0
Union Central	Reduction			
U. S. Government	Same			

*Options 1a, 2, 3 and 4, 3.125%; option 1b, 2.75%.
†Same except reduction in 5th year extra dividend; annuity; 3% income bond, and policies with income disability.
*1940 scale dropped back one year.

§Decrease approximately from 0 to 16%.

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A few other openings are available in Ohio, Indiana, and Illinois. Apply immediately, stating age and previous experience.

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More than a century of sound and progressive growth stamps life insurance as a truly American institution.

For 93 years the friendly service of the Union Mutual Life Insurance Company has stamped it as a traditionally strong and well managed organization dedicated to serving the best interests of its agents and policyholders.

LIFE

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UNION MUTUAL

Rolland E. Irish—President PORTLAND, MAINE

Puletide ... 1940

90

Christmas Greetings and All Good Wishes for the

New Year

to

Life Underwriters Everywhere

from

PAN-AMERICAN LIFE INSURANCE CO.

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CRAWFORD H. ELLIS

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EDWARD G. SIMMONS



ITS A MERRY CHRISTMAS

Christmas 1940 will be long remembered by Jerry Morton. It marks an end and a beginning; the end of a year that has been his most successful one as a life insurance salesman—and the beginning of a new year that promises even greater achievement.

Bankers Life of Nebraska has furnished him with more helps than he ever thought existed. Its Life insurance policies provide the types of protection the modern insurance investor is looking for. The home office understands Jerry—and Jerry understands the home office.

Why shouldn't it be a Merry Christmas?

Bankers Life Insurance Co. of Nebraska

HOME OFFICE, LINCOLN - SINCE 1887



FIGURES AT MEETING OF INSURANCE COMMISSIONERS IN NEW YORK:
Above—C. C. Neslen, Utah commissioner, and Harlan Justice, West Virginia deputy.

Below-J. G. Emery, Michigan commissioner, and W. A. Sullivan, state of Washington commissioner.



GLIMPSES AT MEETING OF NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS:
Above—Oscar E. Erickson, North Dakota commissioner; Doris Prenner, Jeanette
Prenner and M. R. Prenner, North Dakota actuary.

Below—(facing camera)—Alex Macdonald, Wyoming commissioner, and H. D. McNairn, Ontario superintendent.



This was one of the tableaux at the birthday party for Julian Price, president of Jefferson Standard Life. The party was one of the features of the successful campaigns honoring Mr. Price. More than 350 attended. Mr. Price is shown just before cutting the special birthday cake.



Charles W. Frey has been appointed assistant editor of "The Pelican," Mutual Benefit Life's agency magazine. He has been with the Mutual Benefit for a year and a half in the agency department.



At meeting of National Association of Insurance Commissioners: Roy B. Rummage, Arizona commissioner; C. E. Conner, District of Columbia deputy, and Dan C. Boney, North Carolina commissioner.